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9 MARCH 1987

NEAR EAST/SOUTH ASIA REPORT

CONTENTS

ARAB AFRICA

EGYPT

Mubarak Views Arab Ties, Gulf War, U.S. Debts (MENA, 19 Jan 87)	1
Abu Ghazalah Comments on Gulf War (MENA, 20 Jan 87)	3
Mubarak, KULL AL-'ARAB Interview (Muhammad Husni Mubarak Interview; AL-JUMHURIYAH, 25 Jan 87)	5
Egyptian Information Head Interviewed on Summit (Mamduh al-Biltaji Interview; AL-MAJALLAH, 7 Jan 87)	14
Paper Notes U.S. Moves To Boost Gulf Presence (Jalal 'Abd al-Fattah; AL-WAFD, 15 Jan 87)	17
AL-AHRAM Hits Syrian Policy Toward Egypt (Ibrahim Nafi'; AL-AHRAM, 16 Jan 87)	19
AL-AKHBAR on Syria's 'Anti-Muslim Massacres' (Ahmad Zayn; AL-AKHBAR, 21 Jan 87)	22
Egypt's 'Abd Al-Majid on Foreign Policy, Arab Relations (('Ismat 'Abd al-majid Interview; AL-SIYASAH, 13 Jan 87)	24
Abu Ghazalah Links Security to Gulf Stability (Cairo Domestic Service, 19 Jan 87)	27
Mubarak Addresses NDP Artisans' Conference (Cairo Domestic Service, 22 Jan 87)	28

AL-SH'AB Reacts to Nafi' Article on Military Debts (Majdi Ahmad Husayn; AL-SH'AB, 13 Jan 87)	30
Problem of Unemployment of University Graduates (Salah Muntasir; AL-AHRAM AL-DUWALI, 18 Jan 87)	32
Public Sector Reforms Proposed (Ayman Mustafa; AL-AHRAM AL-DUWALI, 16 Jan 87)	34
North American Edition of AL-AHRAM (Editorial; AL-AHRAM AL-DUWALI, 18 Jan 87)	36
Briefs	
U.S. Milk Blamed in Poisoning Cases	38
Delegation Visits Algeria	38
New Ferry Line	38
USSR Cooperation Agreement	39
Economic Protocol With Uruguay	39
Mubarak Confers With Bahraini Amir	39
LIBYA	
NFSL Official Ibrahim Sahd Interviewed (Jamal Isma'il; AL-DUSTUR, 2 Feb 87)	40
ARAB EAST/ISRAEL	
ISRAEL	
Peres Said To Be Remote, Inaccessible to Ministry Aides (Benny Morris; THE JERUSALEM POST, 9 Jan 87)	52
Saudi Arabia Renews Aid to Territories (THE JERUSALEM POST, 14 Jan 87)	54
Establishment of English University Under Consideration (Aryeh Rubinstein; THE JERUSALEM POST, 9 Jan 87)	55
Lake Kinneret at Record High Level (Ya'acov Friedler; THE JERUSALEM POST, 11 Jan 87)	56
KUWAIT	
New Book Records Aid to Lebanon's Islamic Rescue Front (AL-SIYASAH, 15 Oct 86)	57
Chairman of Industrial Investments Company Interviewed (Talib Ahmad 'Ali Interview; AL-QABAS, 28 Jan 87)	59

Committee Formed To Develop Islamic Curriculum (AL-SIYASAH, 13 Oct 86)	63
---	----

Briefs	
Arab Food Industry Conference	66
Economic Agreement With Jordan	66
Security Officers Conference	66

SAUDI ARABIA

Industry Flourishes at Home, Fails To Reach Foreign Markets (AL-MUSTAQBAL, 17 Jan 87)	68
--	----

SOUTH ASIA

BANGLADESH

Formation of New Democratic Front Announced (HOLIDAY, 16 Jan 87)	72
Third 5-Year Plan in Trouble, Faces Revision (Quamrul Islam Choudhury; HOLIDAY, 26 Dec 86)	74
Papers Report Conference of Jamaat-e-Islami (THE BANGLADESH OBSERVER, 26, 29 Dec 86; THE NEW NATION, 28 Dec 86)	76
Acting Amir Speaks	76
Concern Over Economy, Terrorism	76
More on Resolutions	77
Papers Report Talks on Bangla-Soviet Trade Protocol (HOLIDAY, 16 Jan 87; THE BANGLADESH OBSERVER, 19 Jan 87)	78
Improvement Needed	78
Protocol Signed	78
Indian External Affairs Minister Visits Dhaka (THE BANGLADESH OBSERVER, 8, 9 Jan 87; HOLIDAY, 16 Jan 87)	80
Talks With Ershad, Foreign Minister	80
Joint Press Conference	80
Problems With India, by Ahmed Fazl	81
Reportage on Visit of PRC Chief of General Staff (THE BANGLADESH OBSERVER, various dates; THE NEW NATION, 9 Jan 87)	84
Arrival 7 January	84
Meeting With Ershad	84

Ershad Hosts Dinner	85
Visits to Bases	86
11 January Departure	86
Awami League Holds First Council Session Since 1981 (THE BANGLADESH OBSERVER, 2, 3 Jan 86; THE NEW NATION, various dates)	87
Sheikh Hasina Opens Meeting	87
2 Jan Meeting Reported	88
More Details on 2 Jan Meeting	88
Meeting Ends, New Officials	89
Dissidents Organize	90
Political Resolution Reported	91
Bengali Daily Scores Government Action Against BNP (Editorial; SANGBAD, 26 Jan 87)	92
Paper Reports BNP Standing Committee Meeting (THE BANGLADESH OBSERVER, 14 Jan 87)	94
Directives on Court Jurisdiction Stir Resentment (THE BANGLADESH OBSERVER, 26 Dec 86, 14 Jan 87)	95
Powers Defined	95
Bar Association Reaction	95
Gap in Food Availability, Requirements Remains High (Quamrul Islam Choudhury; HOLIDAY, 16 Jan 87)	97
Report on Talks Between Ershad, NCNA Delegation (THE BANGLADESH OBSERVER, 24 Dec 86)	98
Correspondent on Condition of Stranded Pakistanis (THE BANGLADESH OBSERVER, 24 Dec 86)	99
Details of Pact on Tribal Refugees' Repatriation (THE NEW NATION, 1 Jan 87)	100
Ershad Inaugurates Antismuggling Conference (THE BANGLADESH OBSERVER, 11 Jan 87)	101
Irregularities in Assignments Trouble Foreign Service (HOLIDAY, 26 Dec 86)	102
Many Civil Servants Dismissed Under Martial Law (THE NEW NATION, 25 Dec 86)	103
Asian Development Bank Lending Slows Down (Hassan Abul Quasem; HOLIDAY, 26 Dec 86)	104

Asian Development Bank To Lend Dhaka \$60 Million (THE BANGLADESH OBSERVER, 31 Dec 86)	105
FRG Wheat Grant, Food Situation Discussed (THE NEW NATION, 6 Jan 87)	106
Minister Announces End of Public Sector Subsidy (THE BANGLADESH OBSERVER, 14 Jan 87)	107
Committee To Harness Oil Resources Planned (THE BANGLADESH OBSERVER, 29 Dec 86)	108
Dhaka's First Marine Fishing Policy Announced (THE BANGLADESH OBSERVER, 2 Jan 87)	110
Commerce Minister Tells of Fall in Exports (THE NEW NATION, 7 Jan 87)	111
Briefs	
Delegation in Pakistan	112
Death for Smugglers	112

INDIA

Assam Nepalese 'Dismayed' Over Gandhi Statement (THE TIMES OF INDIA, 1 Jan 87)	113
Analyst Writes on Selection of Team for Hanoi (G. K. Reddy; THE HINDU, 5 Jan 87)	114
India, Qatar Sign Pact on Hydrocarbon Resources (THE TIMES OF INDIA, 6 Jan 87)	116
CPI-M Registers Impressive Win in Tripura Election (PATRIOT, 6 Jan 87)	117
Congress-I Reported To Begin Search for Singh Successor (G. K. Reddy; THE HINDU, 5 Jan 87)	118
Alleged Pakistani Spies Arrested in Jammu (THE TIMES OF INDIA, 6 Jan 87)	119

/9986

EGYPT

MUBARAK VIEWS ARAB TIES, GULF WAR, U.S. DEBTS

NC190916 Cairo MENA in Arabic 0635 GMT 19 Jan 87

[Text] Cairo, 19 January (MENA)--President Husni Mubarak has declared that Arab issues form the basis for all his international talks. Egyptian issues, whether they be economic or political, do not take up much time, he added. He expressed regret that the ICO summit will be convened in Kuwait at a time when Muslims are slaughtering each other. Such atrocities are taking place despite the fact that Islam is a religion of tolerance and calls for unity, peace, and the avoidance of bloodshed. In this regard we affirm to the world that we are indeed the terrorists certain parties have accused us of being.

President Mubarak stated that it is time for Arabs to sit as one family and agree on a strategy and goal. Then each one can work to achieve this goal in his own way without harming the interests of the others. Mubarak made these remarks in an interview with Ahmad al-Jarallah, chief editor of the Kuwaiti AL-SIYASAB newspaper. The interview was published today in both AL-AHRAM and AL-AKHBAR.

Mubarak affirmed that Egypt has never and will never pour oil on fire. Egypt has been and will remain a soothing factor and a mediator to remove differences among the fraternal Arab countries. He asserted that relations between Egypt and the Arabs have recently improved. Most Arab countries have not realized that Egypt's policy throughout the last few years is a firm one and does not bear any evil intent toward any Arab country. They see that Egypt has love for and a genuine desire to cooperate with fraternal countries.

Mubarak said that European countries are interested in Egypt's stability in view of the fact that it is a safety valve for the entire region. Commenting on specific Egyptian-Arab relations, Mubarak noted that relations with Jordan are marked by a mutual understanding of views, including of any differences. We discuss every problem in order to reach a common concept of it, he added. As for our relations with Saudi Arabia, these are not new. They are long-standing and firm ties which have been further strengthened this year.

President Mubarak expressed agreement with Sultan Qabus of Oman on the idea that the Gulf War can only be ended by some miracle. He affirmed that Iraq

has not received any offensive weapons from Egypt. Egypt hopes that this war will end, for it only benefits those countries which produce arms, he said.

Mubarak expressed deep regret at Syria's attempt to disrupt the ICO summit. Instead of attacking Egypt, Syria should work to resolve the problem of the Iran-Iraq war, he asserted.

Mubarak criticized the U.S. position with regard to the question of debts. America has not offered Egypt what it should, nor has it reduced the interest on such military debts to 7 percent. He declared that Egypt will never accept any pressure from the IMF which harms its national sovereignty. It will not allow any party to interfere in its domestic affairs.

Mubarak said that the recent government reshuffle was intended to provide a faster economic pace. He praised Egyptian security personnel and affirmed that there had been no security breaches in the country, nor was there a constitutional crisis.

Mubarak emphasized that the need for Cabinet approval to be obtained before Arab citizens could own a housing unit in Egypt had been cancelled in order to open the door for investors returning to the country. He said that he himself continuously follows Egypt's current investment issue.

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CSO: 4500/59

EGYPT

ABU GHAZALAH COMMENTS ON GULF WAR

NC201715 Cairo MENA in Arabic 1520 GMT 20 Jan 87

[Excerpts] Fa'id, Ismailia, 20 January (MENA)--Field Marshal Muhammad 'Abd al-Halim Abu Ghazalah, deputy prime minister and minister of defense and war production, has questioned the Iranians' ability to seize Basra. He described the Iraqi position as strong and solid, adding that reports on the gravity of the situation at the front are used, in every war, as a sort of psychological weapon.

Abu Ghazalah said that military history shows that every war has its critical moments. However, he added, these moments do not decide the battle. He also said that according to available information, Iraq is standing fast and it is only a matter of time before it closes the breach in Shatt al-'Arab.

In his remarks to reporters today, following a graduation ceremony for new reserve officers, Abu Ghazalah described Egyptian-Iraqi military relations as "excellent." He noted that Egypt responds to Iraqi requests for arms and equipment. However, he noted, despite the recent Iranian offensive Iraq has not asked for additional arms from Egypt, nor has it requested Egyptian intervention.

In his observations, Abu Ghazalah asserted that Egypt does not send its soldiers to the battlefield, nor does it get involved in battles. He said: When an Arab country asks for assistance, we send experts, officers, and NCO's on training and teaching missions in military academies in these countries. He stated that these Egyptian experts have nothing to do with the fighting and there is not a single Egyptian soldier abroad. Such a step would be for the legislative and the executive authorities to decide, with the approval of the Egyptian people.

Touching on the effects the Gulf War may have on Egyptian national security, Abu Ghazalah said that any grave development in this war will affect Egyptian labor in the Arab region. It will also affect the flow of oil through the Suez Canal and the Red Sea, which is a vital artery. This, he said, will reflect on the Egyptian economy. The war may also change the political situation in the region, which could result in extremist concepts being exported to Egypt.

Abu Ghazalah denied reports published by a Western newspaper claiming that Egypt had arranged with the United States to intervene in the Gulf War in Iraq's favor, and that he discussed this kind of coordination with the Americans when he met with the U.S. chief of Navy operations, during the latter's visit to Egypt. Abu Ghazalah stated that he did not discuss the Gulf War with the American official.

He pointed out that the visit to Egypt by the U.S. chief of Navy operations was a private one in response to an invitation from the Egyptian Navy commander.

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MUBARAK, KULL AL-'ARAB INTERVIEW.

JN010930 Cairo AL-JUMHURIYAH in Arabic 25 Jan 87 p 3, 11

[Interview with Egyptian President Muhammad Husni Mubarak by Dr Samir Khayri, editor-in-chief of KULL AL-'ARAB magazine in Cairo--date not given]

[Text] KULL AL-'ARAB: You will participate in the forthcoming Islamic summit in Kuwait. It has been reported that Egypt will submit more than one working paper to the summit and that many parties are coordinating with you on what has been submitted to the summit. My question is the following: Has Egypt reassumed the initiative in our Arab, Islamic world? What will Egypt's role be in the next stage on the Arab, Islamic, and international level and can one consider this to be a new line in Egyptian foreign policy?

President Mubarak: This is not a new line. We have been working for some time to close Arab, Islamic, and African ranks. Our relations with the Arab, Islamic, and African world have never ceased. I attended all OAU meetings from the time I was vice president. I only failed to attend one meeting with good excuse. I do my best to attend OAU meetings because they are very important. Why? Because the OAU is like a family to us. We have good relations with all the African countries or at least with 90 percent of these countries. We have good relations with those countries with which we are not bound by bonds of friendship. When we go to any African meeting and find, for example, that there are differences between two countries with which we have good relations we try to mediate between them and reconcile them. Summit meetings are important because 40 percent of the differences which do emerge among African countries during the year are usually settled during the summit where the parties to the dispute meet, discuss things, and settle them.

The president continues: We have always been one of the most active members in the Islamic summits. Following the suspension of our membership, our activity abated and differences exacerbated. We will now participate in the Islamic summit and of course we will carry out specific activities in the summit. We cooperate with our brothers in the Islamic countries and we do not claim that we are assuming a leading role. This is not the case. We are cooperating with our brothers to adopt a sound Islamic course within a sound Islamic framework to settle disputes among Islamic countries. Our contacts with this group of Arab countries never ceased.

KULL AL-'ARAB: The decision to restore Egypt's membership in the ICO was made at the previous Islamic summit in Rabat with the majority of Islamic countries voting for such a move. We now read in the papers that Syria has submitted a request to the forthcoming Islamic summit in Kuwait to reject Egypt's presence at the summit and objects to its participation in this summit?

President Mubarak: We regret this. One month ago, Syria invited a large delegation from the Egyptian film industry. Syria accorded the members of the delegation a warm welcome during their stay in Syria and the Syrian radio suspended its well-known attacks against us during that time. I know President Hafiz al-Asad personally. I know him very well. I was surprised that Damascus radio resumed its attacks against us when it was announced that Egypt will attend the Islamic summit. What happened? Egypt is an Arab and Islamic state just like Syria. Must we exchange abuses if we differ on Arab issues? If every party which has differences with another party seeks to assassinate this party, then there will be no international relations and no solidarity and our Arab entity will be lost. Why is our Arab and Islamic world weak and fragmented? Because of the differences and because personal factors are introduced in the dealings on an international level, and because one resorts to slander and accusations as if we do not belong to the modern world. They say that the Egyptian regime is a traitor. It has betrayed no one and it has not betrayed its people.

[Mubarak continues] Our policy is clear. Our relations with the major powers which are also clear take into consideration the interests of our peoples and the world in which we live, whether the Arab, Asiatic, or Islamic world. So where is the treason? I do not want to accuse anyone of treason or echo the vile words uttered by certain people. If he doubts the legitimacy of our membership in the ICO then I regret to say that we can reveal many things and points which I do not want to mention now. But what can we do when such is the method pursued by Syria.

I hope that when we attend the summit conference we will rise above such a level. And should Syria use vile words against Egypt in the presence of the Syrian president, Egypt will not reply in kind. After all, the Syrian president was my friend and I know him very well. Many were the differences which I settled between him and President al-Sadat. I was an intermediary between them, and the Syrian president knows this. With all due respect to President Hafiz al-Asad, I never expected Syria to pursue this line. Time passes on and erases change. We are in a new phase today. We must repudiate our differences and think of how to improve our peoples' living conditions, rid ourselves of blackmail, and end the state of divisions which only benefits the enemies of the Arab nation. We must consider the nation's unity and prestige.

KULL AL-'ARAB: Mr President, there are certain Arab, Islamic, and regional problems which concern Egypt in the Gulf War. Egypt has a role in this war. How do you view the dangers of this war, which is now in its

7th year, and how do you assess the Egyptian role in the current development of this war which possesses serious dangers on the Arab and regional levels?

President Mubarak: I want to warn that the Iraq-Iran war is very serious, and I believe that our brother Arab kings and presidents are aware of this seriousness. Egypt is against this war, because all it does is cause destruction and ruination, exhaust resources, and lower peoples' living standards. Some people barely have food to eat, because the resources which were once used to achieve prosperity and better living, are now being utilized in acts of killing, destruction, and ruination. Therefore, we are against wars. Our stand alone to end this war is not enough, because our relations with Iran are not strong. Still, we continue to call for an end to this war and for sitting together and holding talks. The United States and Vietnam sat at one table in Paris and held talks. The continuous killing, bloodshed, exhaustion of resources, destruction of houses and economic installations, and reduction of living standards in the two countries is bound to reflect on the neighboring countries and the entire region. This is what we are warning against most. I hope that the Iranian rulers and the rulers in the entire Arab region will understand this. This war is not just between two countries. Its harmful effects and dangers are bound to reflect on all the countries of the region, and even beyond this region. I need not go any further.

KULL AL-'ARAB: This war threatens the security of the Gulf, and Egypt is historically committed to defend the Arabs. This has been obvious under President Mubarak's administration. The security of the Gulf is part of the security of Egypt?

President Mubarak: I would like to point out first that I do not want to call on the Gulf states to fight and to go to war. We must offer our good offices. Islamic states must mediate to stop the war between the two combatants. Our commitment to the Arab states exists and we will not withdraw from it. However, it will only be considered as a last resort. We must not reach that point. As an Islamic state, we do not want a conflagration between other Islamic states. We want to call for a peaceful solution to avoid the worst. If we as an Arab state intervened with a military operation against Iran, we will find supporters, but Iran also will find supporters, which would mean further spread of war and this is very serious. Therefore, matters call for resort to wisdom. We must first exploit all peaceful means to end this war.

Regarding the Collective Arab Defense Pact, when we signed the peace treaty with Israel the Arabs said that we would not honor this pact. I am sad because while our agreement with Israel has not affected our Arab and international obligations, certain Arab states which are members of the Arab League and which signed the defense pact are now disavowing this pact. I will not mention names, because I am going to the Islamic summit and I do not want to turn people against one another. I call for peace and also for settling differences and reaching solutions to these differences instead of resorting to wars, exhaustion of resources, and bloodshed. War is an ugly thing.

KULL AL-'ARAB: The United States has lost much of its credibility, especially with the moderate Arab states after the disclosures concerning the U.S.-Israeli arms shipments to Iran. What about the information circulated to the effect that during his recent tour of the region, Richard Murphy was carrying a new plan for resolving the Palestine question and that this plan was presented to the parties concerned? And are you optimistic about the possibility of the convocation of the international conference in the near future?

President Mubarak: (He smiles) To be honest with you, I have not heard about this plan. (Then he wonders:) What plan?

KULL AL-'ARAB: A plan aimed at activating efforts for resolving the Middle East conflict.

President Mubarak: I pray to the Almighty God that they do something to activate peace efforts. The important thing is that this activation of the peace efforts be done in a manner that brings justice to the parties concerned. I will support any efforts designed to activate the peace process if this activation is aimed at bringing justice to the parties concerned.

KULL AL-'ARAB: Your Excellency has recently rejected a U.S. offer on rescheduling Egypt's debts to the United States. What are the aspects of the problems you are now having with the Americans in this regard?

President Mubarak: Someone must have made the mistake of signing and approving a 24 percent fixed interest rate while the interest rate at that time was 18 percent. Nowadays, the interest rate is 7 percent and they [the Americans] are insisting that we pay a 14 percent interest rate on our defense procurements. The arms deals are supposed to be political deals, but they treat us as if we were buying commercial commodities or foodstuffs. We are repaying all our civilian debts. But these high interest rates create economic problems for us. If I [Egypt] for example pay the amount of \$600 or \$800 million to service \$4.5 billion loans from the state's revenues, I would be creating more economic problems. I asked them to reduce this interest rate. They responded by offering to reduce the interest rate on half of the debts and by asking me to make it up for them on the other half through granting them compound interest rates. Of course, I rejected the offer. (The president contemplates and wonders:) Do you [the United States] want to help me or butcher me? To be honest with you, the talks on this issue are still going on.

KULL AL-'ARAB: Rumors are circulated to the effect that you are exerting a special effort to reconcile the positions of King Husayn with those of Yasir 'Arafat.

President Mubarak: Our relationship with King Husayn is very good. We always consult with each other on every issue related to the conflict [Middle East conflict]. We do not single-handedly adopt any initiative

without prior consultation with the Jordanians, because I believe that bilateral consultations and our agreement on the course of action to be adopted are the only means to advance the peace process. If everybody takes his own way without coordinating with others, we will end up with nothing. We also maintain a relationship with Yasir 'Arafat and the PLO. We are doing our best to find a method that can bring about a quick activation of the peace process. We are sincerely and conscientiously exerting efforts to resolve the [Middle East] conflict.

KULL AL-'ARAB: Some people are accusing Egypt of being hesitant to adopt the Pan-Arab stand.

President Mubarak: (With emotion) These accusations reflect clownish conduct on the part of those who level such accusations against us. Egypt has not for a second been and will never be hesitant to adopt the Pan-Arab stand. We are not afraid of anybody and we are not vulnerable to intimidation. If they have the Camp David accords in mind, I have already said that these accords are two documents, one of which was carried out: We regained our land and exchanged ambassadors [with Israel]. If they are talking about the normalization of relations [with Israel], I want to tell them that we are not maintaining special relations with Israel and we also do not have a special interpretation of the phrase 'normalization of relations'. We are dealing with Israel the way we deal with any other state in the world. There is also another way of looking at this issue. The thing is that our relationship with the Israelis makes things easier for us because it allows us to exchange opinions with them on the options available for resolving the conflict. And believe me, the conflict will not be resolved through messages carried by homing pigeons or through the efforts of a biased mediator. Negotiations will be held directly within the framework of the international umbrella which we have been asking for, because it is the best guarantee. U.S. negotiators sat and talked with Vietnamese counterparts. We also sat with the Israelis when we were negotiating the armistice agreement with them in 1949 in Rhodes. True, we did not sit with them at the same table. They were meeting on one floor while we were meeting on another; and the UN mediator obtained our signature and theirs on the agreement. Our brothers in Syria sat with them in Rhodes at the same table and signed the armistice agreement after spending 3 months insulting us. The French and the Algerians held talks with each other prior to the liberation of Algeria. Wars may stimulate and activate causes and conflicts but they do not settle them.

KULL AL-'ARAB: What about the Egyptian-Sudanese relations? Where have they reached right now? and what is the alternative to the integration agreements which were suspended with the agreement of both sides: Egypt and Sudan?

President Mubarak: The Egyptian-Sudanese relations are eternal. They are not affected by the desires or opinions of a ruler here or there. There is kinship binding the two countries. I have here in Egypt about three or

four million Sudanese living and working in Egypt. They neither have nor are requested to have work or residence permits or any other official papers or documents. The travel activities of my people between the north and south of the Nile valley have always been active and continuous. The good Egyptian-Sudanese relations have for time immemorial been one of the constants that cannot be undermined by anybody. Concerning the issue of integration, I want to say that the Legitimate Sudanese Government at that time demanded this integration and wanted it and not Egypt. And we do not deal with any forces other than the legitimate forces.

[Mubarak continues] They came to Cairo and asked for the conclusion of an integration agreement. We agreed to this. Later, the Sudanese transitional government claimed that there was wasteful spending. Wasteful spending where? I told them: Your money is still with you and our money is still with us, and if there has been wasteful spending on your part this does not mean that the same applies to us. They cancelled integration. We welcomed this. They want to conclude a second integration agreement. We also welcomed this but this time, we will discuss the basis of this integration. They say that it will be a plan for brotherhood. Let us do what they want. We will always behave like a big brother. Let them come and we will discuss things. If it is in the interest of the two people, then we will bless it. There are no problems. Sudan cannot live without Egypt and Egypt cannot give up Sudan.

KULL AL-'ARAB: Some 6 years after you assumed power in Egypt, can you say that the basic guidelines of your policy are different from those of your predecessors Presidents 'Abd al-Nasir and Ansar al-Sadat?

President Mubarak: Every one of them had his own method of ruling. President 'Abd al-Nasir's era was completely different from that of President al-Sadat, and the current stage, that is my stage, also completely differs from the past two stages. During President 'Abd al-Nasir's era, there were changes in the system of government, there was the evacuation of the British forces, the nationalization of the Suez Canal, and the 1967 setback. There was also the October war and the open-door policy. I came at a time when my basic duties are to raise the standard of living of the people, establish good relations with our neighbor countries, whether these countries are Islamic or Arab countries. This stage is more difficult than the past stages. I have spent 40 years in service, 40 years of hard labor. Those who are convicted usually get 25 years of hard labor. I got 40 years of service full of responsibilities. The truth is that I have suffered much. However, I have always followed what my conscience dictated. The circumstances in which I am now governing are different from those which prevailed during 'Abd al-Nasir's era or al-Sadat's era. For example, I have to deal with an economic crisis whose effects had not been apparent before. The population has reached 50 million. I have to develop resources. Production must be increased. Investment and job opportunities must be created. The infrastructure must be rebuilt. The Cairo sewerage system, established in 1906, has had no repairs done to it

since that time. I am now forced to build a new system. In Cairo alone, a new system will cost us 2.5 billion pounds. There are also the telephone network, the railroads, and other utilities which need to be modernized. When I came to power, I found that the infrastructure was completely worn out and that I had to start from scratch. Power generation in 1982 used to be 18 billion kilowatts per hour. Nowadays it is 42 billion kilowatts per hour, that is an increase of 24 billion kilowatts per hour that was achieved during the 5-year plan. It will attain 45 billion kilowatts per hour on 30 June of next year. With respect to housing, we have built more houses during the 5-year plan than what was built during the past 20 years. Two persons could not speak on the telephone inside Cairo. Now you can contact any place in the world. We have also spent 9 billion pounds to develop industry. We established new cities. All this is taking place within the framework of freedom and democracy.

KULL AL-'ARAB: There is a general consensus that under you Egypt is living a real democratic experience. The question is how do you assess the party experience in Egypt, and life under the canopy of the plurality of parties. Will this experience as well as the freedom enjoyed by the opposition last?

President Mubarak: Conflicting opinions is a healthy manifestation. Instead of suppressing the opposition, we allow it to express its opinion. We tell the opposition: Say what you have to say to the people and by God, if there is anything good in what you say, we will discuss and adopt it. The people have the final say. I allow every citizen to express his opinion and the majority decides. The sound opinion is adopted and the wrong opinion will be rejected. If I find that the people do not accept an idea I put forth, I amend it so that they will accept it. I do not want to impose my opinion on others. Freedom of opinion is guaranteed for all. They sometimes criticize me. It is true that their criticism is ridiculous because it is based on false grounds. However, so long as I act in accordance with what my conscience dictates, I will fear no one or any criticism. The parties are Egyptian parties. The opposition is an Egyptian opposition and we all have Egypt's interests at heart. If a party deviates from the people's consensus, the people will check it. Someone told me: What has been published is a criticism of the president of the republic and that I must take measures against the person who wrote such criticism. I told him: The president of the republic has no right to take to account any person who criticizes him, but the people who chose the president of the republic should defend him so long as he proceeds on the sound course. If he does not proceed on this course, the people must ask him to step down.

KULL AL-'ARAB: Will democracy continue?

President Mubarak: It will continue. Do not be afraid when some paper writes unusual things. This is simple and part of peoples' life. Let the people breathe. Let them express themselves freely. Let them take part in running their own affairs, life, and future.

KULL AL-'ARAB: Some Arab regimes have granted some freedom to the opposition. But when the latter raised certain points against the government authorities it was struck.

President Mubarak: Do not put me in an embarrassing position with any Arab state. Every Arab state has its own circumstances, bases, and methods. I respect all the Arab regimes. As president of Egypt, I extend my greetings to every Arab regime. Every Arab country has made its choice, and whether or not its people have accepted that choice is none of our business, because it is an internal affair. I would like to point out here that permitting the exercise of freedom and democracy calls for patience and restraint from the ruler. Freedom and democracy require restraint. Their fruits appear in the long term. There is no need for anxiety.

Take for instance the subject of the mutiny by the central security soldiers. This subject was magnified, especially outside. Everyone thought that I would take extraordinary measures and undermine freedom and democracy. I did not do anything of the kind, as everybody found out later. Everyone was afraid of that mutiny. But when the situation calmed down and returned to normal, some people claimed heroism.

President Mubarak pauses for a moment and then continues: When one views his country's affairs on a long term basis and from a free conscience, then he should not be afraid. All these matters do not cause fear. The people must take part in running their own affairs. They must know what is right and wrong. Let them express their opinion and judge matters for themselves. One says one thing about the government and the second says another thing and from this conflict of opinions, the right opinion emerges. We are working in accordance with the people's will. We cannot work against this will.

KULL AL-'ARAB: So to be precise, democracy will continue and the intention is to expand on it?

President Mubarak: Does anyone doubt that? I began something. So I either have the ability to continue with it or leave it and go.

KULL AL-'ARAB: Regarding the establishment of a Nasirite party, is the government against the establishment of such a party?

President Mubarak: The establishment of a Nasirite or non-Nasirite party is the people's concern. Their wish will be fulfilled. However, we are against certain things because we are going through a phase which does not permit confusion. I do not want the country to get lost in a labyrinth.

(The president remains silent for a moment then says:) My main concern is to see the country strong and increase its production. After that I do not care if there are 60 parties. That will not scare me. Everyone will

know then that if a single party does anything wrong, the people will be there to stop it.

KULL AL-'ARAB: Egyptian-Soviet relations returned to normal under your administration. There are also reports that you will visit Moscow soon and that there has been improvement in the relations between Cairo and Moscow; is this true?

President Mubarak: Yes, there has been an improvement in relations. There has also been trade exchange for a long time. (The president laughs and says:) If you are spreading rumors about my imminent visit to Moscow, then go ahead and spread whatever rumors you want.

KULL AL-'ARAB: A last question. How do you view Egypt's future?

President Mubarak: More work and production is the big objective before my eyes. I have had hard luck. I inherited many old problems when I took over power. This is the shadow following me. I work from morning until I leave work to go to bed at night. I could use sedatives and leave these problems for my successor. But this is not the case. I am working for my own children and your children--the future generations. We are working for their happiness so they would speak well of us after we had turned into sand. We will all go and only the people will remain.

KULL AL-'ARAB: Thank you Mr President.

/12858

CSO: 4500/59

EGYPTIAN INFORMATION HEAD INTERVIEWED ON SUMMIT

PM140925 London AL-MAJALLAH in Arabic 7 Jan 87 p 11

[Interview with Head of Egyptian General Information Authority Dr Mamduh al-Biltaji by 'Abd al-Latif al-Minawi in Cairo; date not given]

[Text] [Al-Minawi] Arab-Egyptian contacts are flourishing these days. Should we expect the Islamic summit to produce positive results at the level of Egyptian-Arab relations?

[Al-Biltaji] Egypt is committed to a principled national line and defends the legitimate rights of the Palestinian people. It has not forfeited any Arab rights and always stresses the need for awareness of the grave dangers threatening the Arab world as a whole, whether from inside because of its divisions, or from outside, because of the continuation of the Iraq-Iran war and the threats it poses or the inability to reach a just solution of the Palestinian problem. Egypt will continue to call for Arab coordination. Our stand on the restoration of Egyptian-Arab diplomatic relations lies within this framework. We do not pressure anyone. At the same time we would welcome the restoration of these relations, if this is agreeable to the other Arab states. The initiative must come from the Arab states that believe in Egypt's pan-Arab approach and call for Egypt's unconditional return.

[Al-Minawi] Have preparations been made for meetings between President Husni Mubarak and Arab leaders on the periphery of the Islamic summit?

[Al-Biltaji] Naturally, but the important thing is not the meeting as such but its specific results in favor of common destiny issues.

[Al-Minawi] Why does Egypt not request international arbitration on the Dayr al-Sultan question, which is still pending, as it did with Tabah?

[Al-Biltaji] I do not believe that these issues should be constantly debated. Egypt does not forfeit its rights, but it uses diplomatic contacts to settle these disputes.

[Al-Minawi] The issue of Egyptian prisoners in Iran is still unresolved despite repeated reports of agreements to secure their release, which has not taken place. The government is accused of not making enough efforts.

[Al-Biltaji] The Egyptian Government considers any Egyptian, at home or abroad, its national responsibility. As for the issue of the Egyptian prisoners, I am not at liberty to announce details. I want to confirm that Egypt spares no effort in shouldering its responsibility toward every Egyptian, at home and abroad. Efforts are being made to secure the release of those prisoners.

[Al-Minawi] President Mubarak's visit to Europe was interpreted as part of a gamble on the European horse in the face of pressure from international monetary organizations and the United States. What is your reply?

[Al-Biltaji] Practical experience has shown there is no reason to pressure Egypt. Egypt does not accept pressure from anyone. The IMF proposed some ideas during the negotiations, and there were also Egyptian ideas. Yes, there was disagreement--not in economic reform, as Egypt is already working on it--but because we see that economic development cannot be achieved except by measures considering the interests of the low-income classes. The negotiations between us and the IMF will shortly result in a positive outcome that will strengthen the Egyptian position and take into consideration social and political requirements, which we defend. As for President Mubarak's European tour, it has confirmed the European leaderships'--especially the French leadership's--understanding and awareness of the importance of stability in Egypt, and of Egypt's positive role in the Middle East as a stabilizer and peace-making country. The European countries also sympathized with Egypt's position during negotiations with international monetary organizations.

[Al-Minawi] It was reported one of the international monetary organizations requested control over the Suez Canal as a condition for providing a loan to Egypt. What was the Egyptian reply?

[Al-Biltaji] This request was not made at all. The disagreement was on two points only: raising the interest rate, and the pound's exchange rate. The Fund certainly did not request the lifting of subsidies.

[Al-Minawi] You speak of social stability. How can this stability be achieved in a crushing economic crisis?

[Al-Biltaji] Social stability can be achieved in this crisis. The sociopolitical dimension of development is a top priority for the Egyptian political leadership. A balance between economic reform considerations and the reform's social results is practically feasible and achievable through rationalization of government expenditure and subsidies, and rates of development chiefly based on increasing production and exports.

[Al-Minawi] There is now an attempt to get around the constitutional error made by the regime in the election law by passing a new law to overcome that error. Would it not be more appropriate to admit the error without these maneuvers?

[Al-Biltaji] Undoubtedly, it is a good initiative on the part of the majority party to present amendments to the election law in an attempt to create a better climate for political competition in Egypt. Regardless of all the debatable issues, what is important is the main approach, which is the attempt to consolidate democratic practices. This positive approach must be encouraged.

[Al-Minawi] Is the idea of dissolving the People's Assembly one of the solutions proposed to overcome this constitutional problem?

[Al-Biltaji] So far as I know at present, this is not contemplated.

[Al-Minawi] Some Arab and foreign papers and magazines are still complaining their publications are confiscated because of their explicit coverage of subjects handled by the opposition papers in Egypt. How would you explain this?

[Al-Biltaji] No one would deny that there is a radical change in the general climate, liberties are guaranteed for foreign reporters, and publications freely enter Egypt. There is no political censorship and no reason to prevent entry of any paper.

[Al-Minawi] So who is responsible for the confiscation and ban?

[Al-Biltaji] The Information Authority does not play a role in censorship of the press in Egypt; that is the Press Supreme Council's responsibility. As for censorship of publications, it is the responsibility of the Information Ministry Undersecretariat. The measures laid down for censorship can be summed up by saying the publication should not include anything offensive to general ethics, violation of the law, or abuse, which is punishable by law.

[Al-Minawi] The Egyptian national and opposition papers experienced an unhealthy phenomenon, namely the poor standard of language in the dialogue. How did you deal with this phenomenon?

[Al-Biltaji] At one stage, there was a poor standard of language in the dialogue, but the picture has now changed. The tone of the dialogue has improved, which, I believe, is proof of the maturity of Egyptian political forces, majority and opposition. I believe that since 4 October 1981 Egypt has been dominated by a political freedom never existing before or after the 23 July revolution. Since that date, not a single edition of the opposition papers has been confiscated. The improvement in the standard of dialogue is a reflection of political maturity.

/12858

CSO: 4500/59

EGYPT

PAPER NOTES U.S. MOVES TO BOOST GULF PRESENCE

PM231129 Cairo AL-WAFD in Arabic 15 Jan 87 p 1

[Jalal 'Abd al-Fattah Report: "United States Prepares To Face Gulf War Developments"]

[Text] AL-WAFD has learned that the United States is holding secret military talks with some Middle Eastern states to secure the deployment of the RDF and the fighter planes accompanying it if the military situation in the region explodes. The talks covered the possibility of deploying 6 U.S. airborne divisions totaling 110,000 men along with 600 fighter planes within 48 hours of orders being issued. Most of these forces are now in Western Europe with the U.S. mobile Delta Force. U.S. Naval Forces Commander Admiral John (Norsist) is discussing this subject during his current visit to Cairo. Dov Zakheim, U.S. assistant under secretary of defense, also discussed the deployment of U.S. forces during his visit to other countries in the region last week. General George Crist, commander of the U.S. Central Command, formerly of the RDF, visited Egypt and some states in the region at the end of last November to discuss the same subject. The United States is at present officially and openly storing arms, supplies, and provisions for these forces in Israel at a cost of \$75 million per year. It also declared in mid-November that it stores similar quantities of supplies in one of the Gulf states. Last Friday, the U.S. nuclear-powered aircraft carrier "Nimitz" arrived in the Straits of Gibraltar in the Mediterranean escorted by 8 destroyers. This force will join the U.S. 6th Fleet in the region, which currently consists of 31 destroyers and warships, 12 submarines, and the aircraft carrier "John F. Kennedy," which is at present in the eastern Mediterranean off the Lebanese coast. The U.S. command suddenly decided to reinforce its military, naval, and air capabilities in the Middle East. Orders were issued to the aircraft carrier "Nimitz" to head immediately for the region on New Year's Eve together with its escorting destroyers. It sailed from the base in Norfolk, Virginia, last Wednesday evening. Several squadrons of F-16 fighter bombers have also arrived at the U.S. Incirlik airbase in southeast Turkey, near the Syrian border. It has been decided that the U.S. aircraft carrier "John F. Kennedy," accompanied by some destroyers, will pass through the Suez Canal within the next few days heading south on its way to the Arabian Gulf and the Strait of Hormuz. These U.S. military maneuvers are taking place after the fierce battles

at the end of last month between the Iraqi and Iranian forces along Shatt al-'Arab, the escalation of fighting in Lebanon, and the Syrian concentrations in al-Biqa in Lebanon and the occupied Golan Heights. The U.S. leadership decided last September to reduce its naval and air presence because the situation in the region was becoming calmer. It has now reinforced them again.

/12858

CSO: 4500/59

AL-AHRAM HITS SYRIAN POLICY TOWARD EGYPT

JN181426 Cairo AL-AHRAM in Arabic 16 Jan 87 pp 1, 3

["Quietly" column by Editor in Chief Ibrahim Nafi': "Syrian Attacks: Egypt's Patience is Wearing Thin"]

[Text] At a time when the eyes of the Muslim world are turned to the summit scheduled to be held in Kuwait and the hopes of Muslim peoples are set on the summit's success in putting an end to the shedding of blood that is flowing like a river in the Gulf war, Lebanon, Afghanistan, and Chad, and at a time when Muslims are hoping that their leaders will succeed in solving some of their basic problems such as Jerusalem and the occupied territory in Palestine and the protection of human rights in Muslim countries from the tyranny of certain regimes, the unification of their ranks and the Muslim peoples, cooperation in developing their various countries, and the integration of their economic and cultural affairs, at such a critical time Syria has asked the Islamic summit in Kuwait to include on its agenda a very important topic whose discussion will end the shedding of Muslim blood in the Gulf, solve all the problems facing the Muslim world, and protect human rights in all Muslim countries; namely "the illegality" of Egypt's readmission to the Islamic Conference Organization (ICO).

It is truly sad that one should be compelled to discuss such a ridiculous issue or to have to defend the ICO decision to rescind its suspension of Egypt's membership, or to have to recall Egypt's record in defending the Muslim world against two historic campaigns because if Egypt had not confronted these two campaigns, the entire Muslim world would have been dismembered and would have fallen into oblivion long ago. These two campaigns are the Crusades and the Tartar invasions. We do not have to go far back in history to enumerate the results of Egypt's leadership of the Muslim world and defense of its values, or the efforts made by Egypt in defending Muslim peoples and supporting the independence of Muslim countries in modern times. However, we will overlook all of this and attempt to analyze the foolish Syrian behavior toward Egypt.

In my view such behavior reveals that Syria's anti-Egyptian policy, which has come to constitute a basic flaw in the Syrian regime's policy during the rule of Hafiz al-Asad, is continuing. Such a policy has been expressed

in numerous anti-Egyptian stands in committees at the United Nations and the Nonaligned Summit. Despite the ignominious failure suffered by the Syrian delegate at such forums, it has become part of Syria's diplomatic folklore for the Syrian delegate at any international convention or conference to call for the condemnation of Egypt or its suspension from the conference. Whereas, had it not been for Egypt sacrificing its plans and the development of its attack on the Sinai front in 1973, Damascus would have fallen to the Israelis and there would have been no Syrian delegate attending periodic conferences and spouting slogans against Egypt.

Egypt which suffered the June 1967 defeat because it believed Syria was being threatened by Israel; Egypt which has throughout the past 30 years viewed its strategic security as indivisible from Syria's security and which declares a general mobilization whenever Syria's northern or southern borders are threatened; the Egypt of the Al-Azhar, of the mosques, minarets, and universities where the Syrians received their education is the same Egypt whose suspension from the ICO is being demanded by the Hafiz al-Asad regime in Syria, despite the fact that Egypt's membership in the ICO has been settled and is not open to discussion again now that the previous ICO summit resolved to rescind the suspension of Egypt's membership.

Why then are the Syrians doing this? Why are they so obsessed by their hatred of Egypt? Why do they devote special programs on their radios to pouring every obscenity in the world on Egypt?

It is clear that the Syrian regime is constantly disturbed by Egypt's participation in any Arab gathering and always wants Egypt to be absent because it dreams of leading the Islamic or Arab group at such gatherings.

It is also clear that the Egyptian presence disturbs Syria from another angle; namely, Egypt's ability to confront the Syrian regime's practices of hegemony, subversion, and anti-Arabism against the Syrian people themselves and against the Palestinians and the Lebanese. The Islamic world's recognition of the soundness of Egypt's policies and its refusal to suspend Egypt's [ICO] membership arouse the rancor and anxiety of the Syrian regime--I do not know why.

Is it because Egypt and other Islamic peoples call on some political systems to safeguard human rights in their countries? Or is it because Egypt does not pounce its cities with aircraft and artillery as Syria did Hamah and Hims? Is it because Egypt does not commit massacres against the Palestinians as the Syrians did in the Tal al-za'tar massacre, which is not lesser in ugliness than the Sabra and Shatila massacres? Or is it because Egypt does not try to impose its hegemony by force, aircraft, and missiles against the Lebanese people and support all factions against all factions at various stages as the Hafiz al-Asad regime is doing in Syria?

Why does Egypt's presence in any international forum annoy the Syrian regime? Is it because this reminds the Syrian regime of the presence of an old ghost called political democracy, the plurality of parties, and freedom which permits the Egyptian opposition leaders to travel to Damascus and meet with Hafiz al-Asad, while Syria strangles any opposing voice and blows up, literally and metaphorically, any writer opposing its regime, throws anyone in prison who does not support and bless it, and erases entire cities because they rose against the tyranny of the Hafiz al-Asad regime and the 'Alawite minority which rules Syria with repression and an iron fist?

Or is it because this reminds Syria that Egypt is not engaged in international terrorism and does not send explosive gifts to the opposition abroad or secure, normal people as Syria is doing? Syria has harmed the image and credibility of the Arab and Islamic world in general.

Syria has known that Egypt's patience over the Syrian regime's practices against it has run out and that Egypt will submit to the Islamic conference in Kuwait a request for adding a new article on its agenda for discussing Syria's violation of the Islamic charters and solidarity as well as the charters of human rights on the Arab, Islamic, and international levels.

It has also known that Egypt will not remain silent for long toward this Syrian tampering and that Egypt's account with the Hafiz al-Asad regime will be comprehensive if it insists on its aggressive policy against Egypt. Egypt has substantial evidence on the contents of the shameful Syrian file with regard to the secret contacts between Syria and Israel, the facilities Syrian provided for Israel in the U.S. arms deal with Iran, the secret agreements between Syria and Israel against the Palestinian presence in Lebanon and against the PLO, and many other dangerous practices which do not honor the Syrian regime or justify its envoys' presumptuous speeches about Egypt's membership, or Egypt's Arabism, or Egypt's Islamicism.

There is much to be said and we are becoming impatient. If slander and lies continue, we will expose facts before the Islamic and Arab world in order to know which of us is nobler in aims and which of us is more sincere in defending the Arab and Islamic rights. The future will tell.

/12858

CSO: 4500/59

EGYPT

AL-AKHBAR ON SYRIA'S 'ANTI-MUSLIM MASSACRES'

JN231044 Cairo AL-AKHBAR in Arabic 21 Jan 87 p 7

["Without Problems" column by Ahmad Zayn]

[Text] I don't know in which guise the Syrian Ba'thists will go to the upcoming Islamic summit in Kuwait. Syrian Ba'thists have a thousand faces. They deal with Arabs with one face, with Israel with another, with the Soviet Union with yet another, with Gulf countries with another face, and with Lebanon with a hundred faces. One wonders which face the Syrian Ba'thists will wear at the Islamic summit.

The Syrian Ba'thists hold the record for anti-Muslim massacres in Syria, Lebanon, and elsewhere. Will the Syrian Ba'thists go to the Islamic summit wearing the face they wore when they shelled the Muslims of Hamah, after having surrounded them, and left their corpses to rot under the rubble? Can the Syrian Ba'thists dissociate themselves from the massacres committed against the Muslims of Hamah? How on earth could they so mercilessly annihilate thousands of unarmed civilian women, children, and old people? It is a horrific massacre still engraved in the memory of many people.

Will the Syrian Ba'thists at the Islamic summit urge the case for shedding Muslim blood and mercilessly killing them? Or will the Syrian Ba'thists state their case for the infamous Tripoli massacre of several months ago, when thousands of Sunni Muslims were slaughtered as Syrian Army tanks and armor stormed the city, engaging in indiscriminate killings and the merciless destruction of Sunni Muslim neighborhoods? And there is the massacre of Palestinians in their camps, toward which Syrian Ba'thists gave money and arms and in which they actually took part.

Will the Syrian Ba'thists tell the Kuwait Islamic summit they have been negotiating with Israel clandestinely at the expense and behind the back of the Palestinian Muslims and that they have agreed with Israel on partitioning Lebanon and struck a good many secret deals with Israel?

We just don't know which face the Syrian Ba'thists will wear at the Islamic summit when their hands are dripping with Muslim blood even in Somalia, where along with Libya the Ba'thists helped Ethiopia annihilate Muslims.

Will the Syrian Ba'thists go to the Islamic summit as hypocrites stabbing Muslims with one hand and raising an Islamic banner in the other? Will they tell their fellow Muslims that Ba'th Party members are under orders to molest any girl seen wearing a veil on public transportation? What are the values the Ba'thists will uphold at the Islamic summit, having trampled all Islamic values? How we would like the Syrian Ba'th Party to uncover the face it will be wearing at the Islamic summit. Syria's very membership in the conference is a stab at the goals and lives of Muslims.

/12858

CSO: 4500/59

EGYPT'S 'ABD AL-MAJID ON FOREIGN POLICY, ARAB RELATIONS

JN161138 Kuwait AL-SIYASAH in Arabic 13 Jan 87 p 18

[Interview with Dr 'Ismat 'Abd al-majid, Egyptian deputy prime minister and foreign minister, by correspondent Muhammad Mustafa in Cairo--date not given]

[Excerpts] [Mustafa] Can you outline for us Egyptian policy trends prior to the Islamic summit in Kuwait?

['Abd al-majid] Egyptian policy is clear, upholds justice, and is based on action to attain peace, stability, and development not only for Egypt but also for the entire region. Egypt also remains committed to its Arab and Islamic responsibilities and obligations. We sincerely call for closing ranks and for uniting to make the Islamic summit a success. This summit will convene in a fraternal country which is dear to our hearts and takes place amid grave circumstances and challenges that our Arab and Islamic nation is experiencing. Egypt is eager to participate effectively in the summit so resolutions will be adopted which will support the Palestinian cause and end the current fighting in Lebanon as well as the Iraqi-Iranian war. [Passage omitted on Mubarak's European tour and Arab solidarity]

[Mustafa] Egyptian diplomats consider the Jordanian-Palestinian agreement the best foundation for any move. How do you view this agreement following what has taken place regarding Jordanian-Palestinian relations and is there any alternative to it?

['Abd al-majid] We still consider the Jordanian-Palestinian agreement an important factor and a vital cornerstone in the settlement of the Palestinian cause. Our contacts with the PLO and Jordan continue to take place at the highest level to enhance the chances of dialogue and coordination between them and to formulate concepts which would help in moving toward an international conference. I can say here that we feel the two parties have expressed a readiness in this respect. [Passage omitted on Arab differences, Lebanese crisis, Gulf War]

[Mustafa] What about the contacts between Egypt and Iran on the release of Egyptian prisoners?

['Abd al-majid] Unfortunately, we have not reached any satisfactory results up to now. The question of Egyptian prisoners is a topic of utmost importance to both the Egyptian Government and people. We exerted many initiatives through the UN secretary general and the International Committee of the Red Cross to obtain their release. However, the Iranian authorities refuse to respond to these initiatives or even to provide us with details about the prisoners. They consider them mercenaries. We are pursuing our efforts and we hope Iran will reassess its stand which is not in line with the teachings of Islam and violates international conventions and laws.

[Mustafa] Egyptian-Sudanese relations are an enigma which must be explained. They tend to improve and then to deteriorate. How do you explain this?

['Abd al-majid] I do not agree with you on this definition of Egyptian-Sudanese relations. All those who know the truth of these relations know they are established on historical bases and on firm and solid objective factors. They have their special traits and transcend transient considerations. The fraternal ties between the two peoples are strong and fateful and are considered a unique model unparalleled by any of the familiar formulas of cooperation among people. I would like to reassure you that Egyptian-Sudanese relations are constantly progressing in all fields to achieve the two people's interests and fulfill their aspirations. The many visits between officials of both countries on all levels are an embodiment of this fact.

[Mustafa] I would like to ask Dr 'Ismat 'Abd al-majid, Egyptian deputy prime minister and foreign minister, about reports that Sudan recently exerted efforts to approximate viewpoints between Egypt and Libya.

['Abd al-majid] This issue has not been raised between us and our Sudanese brothers. I would like to say that we have no problems with the fraternal Libyan people.

[Mustafa] Egyptian relations with Saudi Arabia and some Arab countries have recently thawed, as demonstrated by the cordial statements exchanged or the exchange of delegations' visits. Do you see any specific significance in this?

['Abd al-majid] Of course, we welcome this thawing. It is a natural thing. Relations between us and Saudi Arabia are solid. We appreciate the Saudi leadership and people and harbor feelings of amity toward them. We wish them all well. We also encourage all that would enrich this relationship and benefit our people and the Arab and Islamic nation. We are convinced that Egypt's strength stems from the Arabs and their strength stems from Egypt. I am sure the Arabs have become aware of this fact and of the Egyptian stand and its support for Arab causes, particularly the Palestinian cause.

[Mustafa] With the resumption of normal Egyptian-USSR relations, how can a balance be attained in Egypt's relations with the two superpowers in light of maintaining strong relations with the United States?

['Abd al-majid] I would like to emphasize that Egyptian policy completely abides by principles of nonalignment and seeks to achieve balance in relations with all international blocs and forces. In our dealings, we have as a goal the interests of Egypt and its people. We also seek friendship and cooperation with all countries without condition, except that of noninterference in our domestic affairs and of not harming our sovereignty and free decisionmaking.

As everyone knows, our relations with the USSR experienced some circumstances in the past which had their impact on the progress of these relations. However, these relations are progressing satisfactorily, particularly since the USSR has come to understand the considerations which dictate Egyptian policy. [Passage omitted on Egyptians working abroad]

/12858

CSO: 4500/59

EGYPT

ABU GHAZALAH LINKS SECURITY TO GULF STABILITY

NC190739 Cairo Domestic Service in Arabic 0500 GMT 19 Jan 87

[Text] Field Marshal Muhammad 'Abd al-Halim Abu Ghazalah, deputy prime minister and minister of defense and war production, has affirmed that Egypt's military policy seeks to preserve Egypt's independence, territorial integrity, and national interests, as well as to promote the Armed Forces and increase the standard of their performance. It also puts emphasis on Egypt's role within the Arab, Islamic, and African arenas.

In a statement delivered to the Consultative Council's Committee on Arab Affairs, Foreign Relations, and National Security yesterday evening, Abu Ghazalah said that the Armed Forces are working to diversify their weapon sources and are cooperating with other state organizations to push the wheel of economic development forward. He stressed the need to establish a unified strategy to protect Arab countries from the dangers which confront them.

Abu Ghazalah noted that the security and stability of the Gulf region affects Egypt's own security. Gulf security, is considered a vital factor for the entire world, he emphasized, particularly in view of the fact that Arab oil represents a primary source of energy. He declared that the Armed Forces have succeeded in locally manufacturing most of their weapons, ammunition, military equipment, training aircraft, fighters, and anti-aircraft missiles. He reported that work is currently underway to produce the first Egyptian tank.

/12858

CSO: 4500/59

MUBARAK ADDRESSES NDP ARTISANS' CONFERENCE

NC221609 Cairo Domestic Service in Arabic 1247 GMT 22 Jan 87

[From "The World on the Air" program]

[Text] President Muhammad Husni Mubarak today opened a conference on artisans and development of the Egyptian village, a symposium organized by the NDP artisans secretariat and moderated by NDP Secretary General Dr Yusuf Wali.

Delivering the opening speech, President Mubarak expressed pleasure at having the opportunity to meet with the tradespeople and professionals who are responsible for the future of the country. The government alone cannot assume the task of future development, he said. The specialized knowledge of professionals, Mubarak added, enables them to plan a better future for Egypt.

Self-reliance, particularly by those of means, Mubarak said, is needed in order for schools, houses, and hospitals to be built. Those who are well-off should contribute according to their means in boosting development plans.

President Mubarak also discussed domestic and foreign issues. Concerning the domestic situation, he said: We have no choice but to face the economic crisis, a task calling for massive efforts. The state is sparing no effort to overcome this crisis. We are not the only country to face economic troubles, Mubarak said, and with enough determination we will overcome the crisis.

Following the opening session of the conference, Information Minister Safwat al-Sharif noted highlights of the president's speech:

[Begin al-Sharif recording] President Mubarak pointed out the need for stability. He noted abuses made possible by the country's present climate of democracy and freedom, with some parties exploiting ordinary incidents through exaggeration and misrepresentation.

The president said decisions in this country are made with honesty, conscientiousness, reason, and respect for the law. There is no interference

[by the government] in the judiciary, he said, calling on those who misrepresent facts to be honest with God and seek truth rather than notoriety. We are all sons of the same country, Mubarak said, and should all work for the benefit of this country, in keeping with its values and civilization.

The president then turned to the issue of the Gulf War, reviewed its developments, and noted Iraq's ability to hold its own at this critical stage of the fighting. Mubarak asserted the whole world, particularly Arabs and Muslims, must strive to stop the fighting between two Islamic nations and to staunch the bloodshed.

Concerning the ICO summit, President Mubarak confirmed Egypt will attend the summit and will stand beside other Arab countries to bring about stability in the region, a development which worries those who have benefited from Egypt's isolation. The president cited the threats made in this respect aimed at intimidating Egypt and undermining the summit. Those who made threats, the president said, thought they could dissuade Egypt from attending the summit. Despite these threats, Mubarak added, I announced Egypt is determined to attend the ICO summit in Kuwait and I will represent Egypt at this conference.

President Mubarak hailed Kuwait for its efforts to make the ICO summit a success. He also praised Saudi Arabia, Jordan, the Arab Gulf countries, and other Arab countries for their determination to see the conference held successfully. The president lauded the stands of other Asian and African Muslim countries who have denounced all attempts to derail the conference by distorting its goals. I will attend the conference, the president said, adding Egypt is a country of clear policy. Egypt firmly endorses Islamic causes and supports Arab brothers, and we will not tolerate any slander of our country, Mubarak said. The president expressed hope those who consider the ICO summit a suitable arena for fighting will come to their senses and understand Egypt believes in confrontation based on facts.

Commenting on the Palestinian issue, President Mubarak said 1986 was a year of wasted chances in terms of that problem. The president called for a unified Arab stand and unified Palestinian decisionmaking, so consolidated efforts to resolve the Palestinian issue can progress. The president said the Arabs will be unable to resolve their problems until they know how to agree and disagree. [end recording]

/12858

CSO: 4500/59

AL-SH'AB REACTS TO NAFI' ARTICLE ON MILITARY DEBTS

PM201615 Cairo AL-SH'AB in Arabic 13 Jan 87 p 5

[Majdi Ahmad Husayn article: "Egypt: A U.S. Corporation"]

[Text] In his recent article [AL-AHRAM Chief Editor] Ibrahim Nafi' discussed the problem of U.S. military debts and how Egypt is called upon to repay \$10 billion in return for \$4.5 billion without (a point that was not mentioned in Ibrahim Nafi's article) having armed the Egyptian Army satisfactorily and effectively. The writer concludes by calling upon the United States to treat Egypt as if it were a U.S. corporation. When U.S. corporations have difficulties in repaying their debts they obtain a loan at a lower rate of interest in order to repay their debts and then repay the new easy-term loan.

Thus we have forgotten the fundamentals of addressing foreign powers to the extent that we compare Egypt to a U.S. corporation and yet do not regard this as begging and groveling. We talk to the Americans as if we were their subjects and under their sovereignty.

In fact newspaper articles will not convince the United States to change its attitude, just as developing contacts with some European powers will not change the attitude of the United States, which will not allow the old colonial powers to interfere in its "absolute" sovereignty in the Middle East. What is weakening our stand vis-a-vis foreign powers and turning our independence into a mere flag and an anthem is the exclusion [from power] of all the forces of steadfastness and independence. The prolonged and tedious problems with the IMF at one time and with the U.S. military debts at another--which invariably bore those who follow them up--will end only with compromises that will not be in our interest because the Egyptian people are absent and kept ignorant of their implications. Indeed, such crises are presented to them as some kind of a disagreement with a friend, despite the fact that the term "friend" should not apply to the United States in its relationship with Egypt and the Middle East in particular.

Let the crisis of military debts be an opportunity for the state strategic planners (if such exist) to consider abandoning the United States as a major source of arms, because it cannot be so to a state bordering Israel, especially as Egypt is the biggest power that can confront Israel in the future.

Let this be an opportunity to look for other arms sources in the East and the West. The most important thing is to revive the Arab military industrialization program, which was hit by Camp David and the resultant isolation of Egypt from its natural Arab world. In the meantime the United States is adopting a clear stand against any serious military industrialization in Egypt.

We do not lack the will for independence and the will to fight, for the will to fight creates many battles and wars and ends many problems and hardships resulting from foreign domination. As the Arab proverb says: "Seek death, and you will be given life."

/12858

CSO: 4500/59

PROBLEM OF UNEMPLOYMENT OF UNIVERSITY GRADUATES

Cairo AL-AHRAM AL-DUWALI in Arabic 18 Jan 87 p 7

[Article in Salah Muntasir column "Just An Opinion": "The Graduates' Issue"]

[Text] How long?

Yes, how long will the thousands of young people who graduated 5 years ago be without job assignments --without work, without a job, without income, without a wage, without this big goal for which their parents sent them to school, enduring the long years of waiting until graduation whereupon they can alleviate their parents' heavy burdens?

The strangest thing about the graduates issue, and let us be candid, is that those who are not in need are the first to be assigned jobs right after graduation because they have influential relatives with clout, and he who has influence and clout is most often the one with money. In other words, they can wait, 1,2 or 3 years. The other defenseless and powerless people, however, those who have no influence and no clout, are the ones most in need. They are the ones whose fathers sold all their possessions and endured the torment of the years to see their children grow into a fruitfull tree that can compensate them for all the hardships they had to bear. But here they are, after graduation, jobless youths, big gentlemen with degrees coming in and out and still relying on the source that has dried up and waiting for their fruits only to find out that they are trees without fruit.

I know that state capabilities are limited, but it is not the fault of whose who went to college where they studied and learned as part of a clear commitment the state took upon itself to assign them jobs after graduation.

If the state is unable to honor this commitment, it must come out and state that clearly, but after a grace period. Let the state clearly and candidly announce that it will not be obliged to assign jobs to those enrolling in colleges and higher institutes as of next year and that it is no longer able to honor such a commitment.

As for those who have graduated and those who have enrolled in colleges under the commitment to find employment for them, the state cannot get out of appointing them to positions.

Their number is in the thousands and they have waited longer than they should. There is nothing more painful than humiliation. Every young person waiting for the work force paper is a mine waiting to explode, if the wait is too long. Indeed, some have actually exploded.

This issue cannot stand any more waiting and if we have not heard of an outstanding action the new government has undertaken, let this be where it begins.

Thousands of homes are shrouded with sadness, so bring joy to them and give them hope.

12502

CSO: 4504/110

PUBLIC SECTOR REFORMS PROPOSED

Cairo AL-AHRAM AL-DUWALI in Arabic 16 Jan 87 p 5

[Article by Ayman Mustafa: "Recommendations of Public Sector Development Conference. Focus on Basic and Strategic Industries to Achieve Industrial Integration"]

[Text] The public sector development conference, at the conclusion of its meetings yesterday evening, recommended that the administrative authority of the public sector be independent of the state apparatus and be liberated from the form of ownership whereby units can operate on an economic basis while bound to the state's economic policy and development plans. The conference asked that the concept of state ownership or community ownership be developed to allow for direct ownership and the ability to offer public sector shares to citizens with a 49 percent ceiling and the state retaining a minimum 51 percent. It also asked that this sector's scope of work and activity be defined whereby its investments in the coming stage would concentrate on basic and strategic industries and the vertical development of production capacities in a way that achieves further integration in industrial operations.

The final session was chaired by Dr Samir Tobar, chairman of the economic and fiscal affairs committee of the National Party--the committee that organized the conference-- and was attended by the ministers of economy, finance and administrative development. The four sub-committee chairmen announced their recommendations which were unanimously ratified by the members and corporate presidents of the public sector who participated in the session.

The recommendations included:

-- Development of the public sector administration under the chairmanship of Dr Sabri al-Shibrawi. The committee recommended that corporate boards be composed of outstanding experts with the same thing going for the general assemblies that oversee the boards. It recommended against turning to the many and varied oversight agencies, the relaxation of restrictions and administrative bylaws while reinforcing management with absolute power in reward and punishment and the conversion of public sector agencies into holding companies.

-- Investment and financing under the chairmanship of Dr Muhyi-al-Din al-Gharib. The committee recommended that the role of the National Investment Bank be developed to monitor the implementation of investment projects and that projects start out with a sound financing structure with regard to capital and loans and that the existing financing structures be handled through an increase in capital. In this area, it may be desirable to allow workers in certain public sector units to own a percentage of the capital.

-- Costs and pricing under the chairmanship of Dr Ahmad al-Safti. The committee recommended the need to separate economic prices and social prices with regard to public sector products and that subsidy, if need be, be confined to the final distribution phases with a view to achieving a reasonable margin of profit for economic units without causing capital abrasion. It recommended that specific criteria be created for costs so that the final consumer will not bear additional price burdens generated by low efficiency.

-- Fiscal and accounting systems. The committee recommended a unified tax system for the public and private sectors and urged public sector corporations to enjoy the exemptions allowed under the law pertaining to the exploitation of certain self-financing sources in buying new fixed assets and for the sake of dealing with the high loan-to-capital ration and ownership rights phenomenon.

12502

CSO: 4504/110

NORTH AMERICAN EDITION OF AL-AHRAM

Cairo AL-AHRAM AL-DUWALI in Arabic 18 Jan 87 p 1

[Editorial: "AL-AHRAM in America Tomorrow"]

[Text] For 110 years, AL-AHRAM has been an innovator in its indefatigable steps, struggling to keep its readers' trust, breaking into all that is new in the world of journalism and printing and leading the march of development in Egypt and the entire Arab world while beaming a civilization deeply rooted in history and towering over a brilliant future.

And because it has preserved its rejuvenating ideological, political and journalistic heritage throughout 110 years, it was not strange that it should occupy the top and distinguished positions as the largest Arab newspaper in circulation, impact and influence. Neither was it strange that it should be classified as one of the strongest and most effective top ten newspapers in the world and the informed source of information that carries reliable news and holds unshakeable views.

Tomorrow, AL-AHRAM embarks on a new phase of self-development and rejuvenated format and content, breaking into new arenas of distribution, arenas of challenge at the same time, when for the first time it will be printed in New York every evening to get to its Egyptian and Arab readers in the United States and Canada early next morning, exactly like any other American or Canadian newspaper.

To be sure, AL-AHRAM AL-DUWALI, in its London and New York edition, from now on will carry a different format and a highly diversified content. The readers will find it different from the daily edition issue in Cairo in much of its subject matter, with the aim of meeting different needs and facing the varied concerns of citizens living in more developed countries and enjoying an abundant flow of information.

A few years ago this was a fancy or a daydream. However, the technological revolution in printing and communications that took off like a giant in the last decade put at the disposal of journalism worldwide things that made the dream come true and turned fancy into reality.

AL-AHRAM, as its its habit of breaking into anything that is new and possessing state-of-the-art technological innovations, accepted the challenge right away and hastened to modernize its printers, equipment and communication equipment. It also hastened, in accordance with its deep-rooted professional tradition, to train its employees and editors in the modern equipment.

Two years and a few months ago, on 18 June 1986 to be specific, AL-AHRAM put out its first international edition which is transmitted via satellite from its towering building in Cairo to London.

AL-AHRAM's management had planned for high costs, heavy burdens, difficult challenges and stiff competition. But, as the saying goes, success induces more success. The readers' interest and trust in AL-AHRAM grew when they found their favorite newspaper between their hands with every sunrise, carrying to them, away from home, Egypt's fragrance, creative thinking and enterprising spirit, just as it carries to them the heartthrob of their homeland through reliable news, unshakeable views and serious free dialogue and reflects the glow of democracy Egypt is experiencing today, as it reflects, with the same intensity, the difficult challenges of growth and construction.

The journalistic success and economic balance of the European edition lured AL-AHRAM into starting the American edition which will come out in New York tomorrow, in an effort to round out its national mission, on the Egyptian and Arab level, and firmly establish the principles to which it has committed itself.

For the last 6 months, AL-AHRAM editorial, administrative, advertising and distribution departments devoted themselves to the careful study of the new step, subjecting details to discussion, trial and dialogue and drawing on the experience of the European edition published in London. They worked hard to avoid the negative aspects so that AL-AHRAM may reach its readers outside Egypt just the way they want it.

The Third Step?

Yes, there is a third step undergoing careful study as the second step did. It has made great headway toward maturity. AL-AHRAM is preparing to put out its Arabic edition, following its international edition, from London and New York. This may require several months for the study to be completed, for preparations to mature and for budgets to be appropriated. We are an institution that relies on itself and on self-financing alone, as it relies on its trained cadres alone.

What is certain is that we have pledged to AL-AHRAM readers to surmount all difficulties to get to them and to gain their trust, out of our pride in an innovative newspaper over 110 years old which is still young, growing, ambitious and enterprising.

This is AL-AHRAM's pledge before you, and AL-AHRAM is always there to fulfill your needs.

12502

CSO: 4504/110

BRIEFS

U.S. MILK BLAMED IN POISONING CASES--Wahid al-Shaykh, chief prosecutor in Ihnasya, has ordered the seizure of large quantities of USAID milk in the town's children's center as part of the investigation into the poisoning of 19 children after drinking some of this milk; the children have been hospitalized for treatment. In another development the Bani Suwayf Health Directorate has ordered the suspension of distribution of this milk. Using bullhorns touring the neighboring villages, it also asked people not to give the milk they received to their children. In the town of Bani Suwayf Dr Muhammad Jallal, director of the general hospital, said that nine other cases of poisoning have occurred in the town. The sick children have been treated and saved, but he was not sure whether their sickness was due to drinking the American milk. However, all the parents of the sick children assured AL-SH'AB that their children had drunk only this kind of milk. Other poisoning cases caused by this milk also occurred in Bibba, according to certain citizens. It may be recalled that similar cases of poisoning occurred in 1984, but the Ministry of Health took no measures to deal with the situation. [Rabi' Shahin report: "USAID Milk Poisons 28 Children in Bani Suwayf"] [Text] [Cairo AL-SH'AB in Arabic 13 Jan 87 p 1 PM] /12858

DELEGATION VISITS ALGERIA--Cairo, 14 January (MENA)--Chairman of the Oil Trade Union Anwar 'Ashmawi left here this afternoon for Algiers leading a delegation for a week-long visit at the invitation of the Algerian Trade Union for talks on means of bolstering bilateral relations and coordination in fields of mutual interest. This is the first visit by an Egyptian oil union to Algeria since 1977. [Text] [Cairo MENA in English 1827 GMT 14 Jan 87 NC] /12858

NEW FERRY LINE--Al-Ghurdaqah, 18 January (MENA)--Today Red Sea Governor Lieutenant General Yusuf 'Afifi inaugurated the new Safajah-Jeddah Maritime Line, greeting the first Saudi ferry to reach the port of Safajah, carrying 250 Egyptian passengers. [Excerpt] [Cairo MENA in Arabic 1215 GMT 18 Jan 87 NC] /12858

USSR COOPERATION AGREEMENT--Cairo, 25 January (MENA)--The Executive Program for the Cultural Agreement Between Egypt and the Soviet Union for 1987-88 was signed in Cairo today. It was signed on Egypt's behalf by Ambassador Hasan Shash, head of the Foreign Ministry's Cultural and Technical Cooperation Department, and for the Soviet Union by Soviet Ambassador in Cairo Gennadiy Zhuravlev. The program involves cooperation in the fields of education, science, culture, and the arts through grants, mutual visits, training courses, and other exchanges. [Text] [Cairo MENA in Arabic 1120 GMT 25 Jan 87 NC] /12858

ECONOMIC PROTOCOL WITH URUGUAY--Cairo, 27 January (MENA)--A protocol for economic cooperation between Egypt and Uruguay, which provides operational guidelines for the Egyptian-Uruguayan Joint Committee, was signed here today. Dr Yusri Mustafa, minister of economy and foreign trade, signed the protocol for Egypt, while Ramero Perez Ballon, Uruguayan ambassador in Cairo, signed it on behalf of Uruguay. Mustafa stated that, according to this protocol, the joint committee will discuss the best ways to promote trade relations between the two countries and present proposals to remove obstacles impeding trade expansion. The joint committee members will meet annually in both capitals. [Summary] [Cairo MENA in Arabic 1545 GMT 27 Jan 87 NC] /12858

MUBARAK CONFERS WITH BAHRAINI AMIR--Kuwait, 25 January (MENA)--Tonight President Muhammad Husni Mubarak received at his place of residence in the Conferences Palace in Kuwait 'Isa ibn Salman Al Khalifah, the amir of Bahrain. Bahrain was also represented at this meeting by Foreign Minister Muhammad ibn Mubarak Al Khalifah; Minister of Justice and Islamic Affairs 'Abdallah ibn Khalid Al Khalifah; and Information Minister Tariq Al-Mu'ayyad. Dr Mamduh al-Biltaji, chairman of the Egyptian Information Authority, has stated that the meeting between President Muhammad Husni Mubarak and His Highness 'Isa ibn Salman Al Khalifah took place in an amicable and fraternal atmosphere. He added that discussion had focused on conditions in the Arab and Islamic world. Al-Biltaji noted that the two Arab leaders had agreed on the necessity of exerting efforts to repair the rift in the Arab ranks, a rift which threatens the entire Arab nation. They also agreed that the continuation and further deterioration of the Iraq-Iran war, the failure to find a solution to the Palestinian problem, and recent developments in Lebanon constitute dangers which must be confronted and overcome by united efforts. [Text] [Cairo MENA in Arabic 1845 GMT 25 Jan 87 NC] /12858

CSO: 4500/59

LIBYA

NFSL OFFICIAL IBRAHIM SAHD INTERVIEWED

London AL-DUSTUR in Arabic 2 Feb 87 pp 14-17

[Interview with Ibrahim Sahd, political commissioner of the National Front for the Salvation of Libya by Jamal Isma'il: "The Political Commissioner of the National Front for the Salvation of Libya Tells AL-DUSTUR, 'Libya's Second in Command Is Living in Exile in Damascus; Pilots from Syria Put Down the Uprising at Tarhunah Camp; We Did Not See Libyan Weapons in the Arabs' Battles, but We Saw Those Weapons When They Were Sent to Iran Which Is Involved in a War against Iraq';" date and place of interview not specified]

[Text] Is it not extraordinary that Libya's Maj 'Abd-al-Salam Jalud has been living in Damascus since last November, far away from his country where he is the second in command after al-Qadhdhafi? Is there a deep-seated dispute between the colonel and the major? Or is Maj Jalud, who has been in Damascus for a long time, still monitoring the battles in Lebanon's Palestinian camps--as it's being reported--to ensure that the colonel's policy is being implemented? This and other related questions marked the beginning of a long interview with Mr Ibrahim Sahd, member of the Executive Committee of the National Front for the Salvation of Libya [NFSL]. Mr Sahd has also been the front's political commissioner since 1982. The interview covered all the implications of what is now being called "the Libyan problem."

It is not true that 'Abd-al-Salam Jalud is the second in command in Libya. The fact of the matter is that in Col al-Qadhdhafi's administration the colonel uses everyone around him to carry out his plans. Col al-Qadhdhafi promotes whomever he pleases at will, and he tramples upon and humiliates anyone he wants whenever he wants.

It is not true that 'Abd-al-Salam Jalud is the only important figure in al-Qadhdhafi's regime who resides outside Libya now. Al-Khuwayldi al-Hamidi, for example, has been living for some time in San'a', the capital of the Yemen Arab Republic. In fact, a large number of Libya's Revolutionary Command Council, like Mustafa al-Kharubi, still live in Libya, but they are not engaged in any business, nor do they serve any function in the regime.

Al-Maqarihah's Situation

These explanations should shed more light on the nature of relations between key members of the regime in Libya and the head of that regime. The lingering

question, however, is this: Why is Jalud living in Damascus? The answer is provided here by Mr Sahd, after the explanations.

Mr Sahd says, "The information we have shows that Jalud and al-Qadhdhafi are having "problems." That is why al-Qadhdhafi sent Jalud to Damascus. He wants to keep him far away during this period. Jalud issues statements every now and then to make it seem that he is living in Damascus to mediate a settlement in the question of the camps, but that is not true."

[Question] Why not? What then, according to your information, are the reasons for keeping Mr Jalud away from Libya?

[Answer] The truth is that 'Abd-al-Salam Jalud did try more than once to create for himself a center of power within the regime. To do that, he used his relatives, particularly officers whose roots go back to his tribe, al-Maqariyah. These officers actually managed to occupy sensitive positions in the army from which they tried to impose their and Jalud's power. But they failed every time they tried to do that because al-Qadhdhafi would put up barriers between Jalud and those officers so Jalud would have no power to speak of.

In light of that fact, the problems between Jalud and al-Qadhdhafi got worse recently, and that caused al-Qadhdhafi to send Jalud to Damascus. Jalud felt that al-Qadhdhafi's position had become shaky, particularly after the American raid on Libya. He tried taking steps that would have put him in a stronger position, but al-Qadhdhafi noticed what was happening. He foiled Jalud's steps and moved him away to discipline him. It is also possible to mention in this context that many of the revolutionary committees' executive members have recently lost their influence in Libya. Their roles were terminated, and they were replaced by other groups. This is al-Qadhdhafi's method of sifting through the people around him. This is how no one stays in his position long enough to build a center of power. The case of Khalifah Hunaysh, who was also described as the second in command in Libya provides the most recent example of this method. Now, however, Mr Hunaysh has no influence within the regime.

[Question] Was 'Abd-al-Salam Jalud the only one who tried to build for himself a center of power by taking advantage of al-Qadhdhafi's nervousness in the aftermath of the American raid on the country? Were there others inside the regime who tried to take advantage of this nervousness?

[Answer] In general, it can be said that people who have been around al-Qadhdhafi for the past 17 years have always derived their power from him. It is true that a few members of the Revolutionary Command Council tried to create for themselves a center of power, but their attempts failed. As time went by, each one of them became concerned about gaining al-Qadhdhafi's confidence and sympathy. After the raid a few of those council members took actions of some sort, but their actions were worthless because they were taken by people who had lost their value, prestige, and any power that would have guaranteed the success of their actions. The reason for that is that members of the Revolutionary Command Council were periodically insulted by members of the Revolutionary Committees. Although the insults were sometimes made by unknown people serving on those committees, members of the Revolutionary Command Council lost their prestige within the regime because of those insults.

Al-Qadhdhafi's Power

[Question] There is one question that comes to mind whenever one talks about al-Qadhdhafi and his regime. What is the power that he relies on? Is he supported by the Revolutionary Committees, the People's Committees, or the army?

[Answer] At the beginning of his administration al-Qadhdhafi wanted to rely on the armed forces. He relied on them by keeping them under his control at all times. After a period of time, however, he had to look for something else to support him because the armed forces had discovered the truth about him. It was at that time that al-Qadhdhafi introduced many members of his tribe, al-Qadhdhifah, into the armed forces. He used these tribesmen, who joined the armed forces as officers and staff officers, to form the so-called Deterrent Force Battalions. These are the troops with the most modern weapons; they are the troops that have ammunition. The armed forces, however, are in their camps: they have some weapons, but they have no ammunition.

At this point, before I talk about the Revolutionary Committees and their role in al-Qadhdhafi's regime, I would like to go back to the American raid on Libya and the conditions it revealed. At first, let me say that no Libyan can accept such an aggression against his country. However, it was always al-Qadhdhafi with his conduct and foolish policy that jeopardized Libya's security and safety. And that has happened more than once and on more than one occasion.

The American raid brought out a very important point about the regime. It brought out the fact that the regime was established 17 years ago, proclaiming the slogan, "We want to build a state that can hold out against any foreign aggression." In fact, the regime went so far as to declare its desire to build an army that can liberate the world and "the oppressed on earth." That regime stockpiled weapons, spent large amounts of money stockpiling those weapons, and engaged in every kind of injustice and oppression imaginable. But then the American raid revealed that the funds, the weapons and the injustice which lasted for 17 years were all for naught. The American raid revealed that the Libyan armed forces were in no position to repel the American raid. But that was not because the Libyan armed forces are incapable or lacking in experience or manpower. It is rather because al-Qadhdhafi's policies on the armed forces and military men made these armed forces incapable of repelling that American raid.

[Question] And what about the revolutionary committees?

[Answer] The revolutionary committees have a multi-faceted role both in popular circles and in the armed forces where their members can also be found. To provide a clear picture, let me say that many people were forced to join these revolutionary committees. Nevertheless, they felt responsible for the Libyan people; they really identified with them; and they also understood the nature of al-Qadhdhafi's regime. There were others, however, whose hands were stained with the blood of Libyans and who carried out al-Qadhdhafi's criminal instructions. They are the people whom we regard as al-Qadhdhafi's partners in his crimes against the Libyan people. These people were chosen, and their backgrounds are unknown. They became involved in al-Qadhdhafi's crimes because al-Qadhdhafi's regime enabled them to benefit financially and to gain power. It is obvious that al-Qadhdhafi has always prodded members of the revolutionary committees,

especially those who are close to him, pushing them gradually into situations in which they find themselves involved in practices against young Libyans held in detention camps. These practices include murder, execution and torture. Let me say here that since 1978 all political detainees were interrogated and tortured in prisons by members of these revolutionary committees. Let me also say that after the American raid on Libya members of these revolutionary committees were seen burning and destroying their files and papers to get rid of them. They did that because they felt that the regime's final hour had come. They did not want secrets about their practices against the Libyan people revealed.

There is also the assassination of Ahmad al-Warfali. He was a member of the revolutionary committees who became well known in Benghazi for his tyranny. People used to call him the uncrowned king of Benghazi. A number of young Libyans lured him, put him on trial and executed him.

That incident which sent shock waves in the midst of revolutionary committee circles exposed the plunder and theft which was being carried out by some members of these committees who were abusing their influence. Al-Warfali used to give anyone anything; he used to give land and property at will and confiscate the land and property at will. When the revolutionary committees tried to investigate the incident of his execution, they searched his castle hoping to find something that might lead them to the perpetrators. Instead, they found a fortune in cash and personal property stored in his castle. Al-Qadhdhafi repudiated al-Warfali after the man's death to soften the blow of the people's resentment.

This al-Warfali is merely an example of those people whose hands are steeped in the blood of Libyans. He is an example of those who oppressed the people and became engaged in corrupt practices. There are many like him. We must not forget Ahmad Qadhdhaf al-Damm and Sayyid Qadhdhaf al-Damm.

Popular Attempts

[Question] What is your evaluation of the attempts that are being made by the people to get rid of al-Qadhdhafi and his regime?

[Answer] I do not exaggerate when I say that attempts to overthrow al-Qadhdhafi are continuing. These attempts, which are being made by the armed forces and by the people, began only a few months after al-Qadhdhafi came to power. It was obvious then that that regime did not represent the Libyans. It was also obvious that it was not the regime we as a nation aspire for.

The most notable of these attempts, however, was the Bab al-'Aziziyah operation. That attempt, which was made in 1984, was carried out by members of the NFSL. There is also that major uprising which occurred in the armed forces in Tarhunah Camp after the American raid. Al-Qadhdhafi was not able to put down that uprising without seeking the assistance of Syrian pilots. The al-'Aziziyah operation and the Tarhunah uprising were two of the most prominent attempts to get rid of al-Qadhdhafi and his regime. As I mentioned, however, such attempts have not ceased. They are being made by individuals or groups in the armed forces or among popular elements.

[Question] We heard recently that al-Qadhdhafi decided to change the capital of Libya and that the new capital will be al-Jufrah, not Tripoli. Do you believe there are other objectives behind this step besides those which have been announced?

[Answer] In general, al-Qadhdhafi has always tried to keep conditions in Libya unstable on all levels. He even changes the names of ministries and institutions to keep government circles preoccupied at all times. As far as changing the capital is concerned, and making it al-Jufrah instead of Tripoli, the thing that must be made clear is that al-Jufrah is a desert region near Surt where al-Qadhdhafi lives. This change would mean moving away from the coast which for some time now has been a source of apprehension for al-Qadhdhafi because he thinks the Libyan opposition and the NFSL in particular can carry out operations along the coast. That is why he has been mining and fortifying the coast. Similarly, the aim of moving the capital to al-Jufrah is to forestall any counteraction that might be carried out by the armed forces. This means that a group from the armed forces would find it difficult to control the new capital because of the large distance between Tripoli and al-Jufrah and also because of al-Jufrah's proximity to Surt, which is close to al-Qadhdhafi's tribe where there is a center at which al-Qadhdhafi's deterrent forces assemble.

[Question] But the purpose of mining the coast, as al-Qadhdhafi said, was to fortify it against any attempt that might be carried out by American submarines. Isn't that right?

[Answer] This is what al-Qadhdhafi has been proclaiming, or this is the cover he has been using. However, circles close to al-Qadhdhafi reported that he said that the coast mining operation had to be carried out in light of "the lessons that were learned" from the Bab al-'Aziziyah operation. This is because the regime has not yet found out where the NFSL guerillas who carried out the Bab al-'Aziziyah operation came from. The regime still has many questions about that operation.

But let us go back to the matter of moving the capital. It has now become certain that this operation failed because of the difficulty of establishing basic services and facilities in the central region where al-Jufrah is located. That is why the decree was amended. In accordance with that amendment a few secretariats, [or] ministries, were distributed among many Libyan cities. The Secretariat of Agriculture was moved to Sabha; the Secretariat of the Economy was moved to Ajdabiya; the Secretariat of Health was moved to Benghazi; the Central Bank was moved to Sabha; and other secretariats were moved to other cities like al-Marj, Darnah, Tubruq and al-Bayda'.

Libya's Debts

[Question] In light of what we know about the crisis in the Libyan economy, doesn't the decree to move the capital or the secretariats to other cities in Libya add a new burden to the declining economic situation?

[Answer] Most certainly. The point I would like to make clear is this: the effects of the economic crisis are felt only by Libyan citizens who have to cope

with the consequences of this crushing crisis, which at the present time is being manifested in scarce basic goods, non-existing health services and other ways. And yet al-Qadhdhafi has continued to spend money on other things, such as terrorist operations abroad and the publication and translation of "The Green Book." That book has been translated into all languages, even Japanese and Chinese. In addition to the manifestations of the economic crisis and the effects it has on Libyan citizens, Libya is now indebted to a large number of European countries. But the biggest debts are those that have to do with the weapons which the Soviet Union sold to Libya. The figures are unreal. Libyan oil has been mortgaged to a number of countries to pay back Libya's debts. These debts were not incurred to benefit the country by establishing development projects or modernizing services. Instead, these debts were incurred as a result of al-Qadhdhafi's unbalanced spending on his military adventures in Uganda, in Chad--the location of his present adventure--or elsewhere. These debts were incurred because al-Qadhdhafi is financing international terrorism and purchasing weapons in quantities that are far in excess of Libya's needs.

We in the front are convinced that al-Qadhdhafi's policy of stockpiling weapons in such quantities is a policy that serves other objectives and has nothing to do with the goals of the Libyan people and the goals of the Arab nation. Evidence of this lies in the fact that these weapons were not seen in any Arab battles. We did not see Libyan weapons in the siege of Beirut, but we did see those weapons months after the siege. We saw them in al-Biq'a' in the war of our fellow Palestinians. We saw the weapons in Tripoli, Lebanon when Palestinian troops were withdrawing as they were being shelled and bombarded from the sea and from the air by Israelis, on the one hand, and attacked by artillery fired at them by forces that are subordinate to al-Qadhdhafi, on the other. This artillery fire was aimed at the al-Barid and al-Badawi camps in Tripoli. We did not see Libyan weapons in any of the Arabs' battles, but we did see those weapons being sent to Iran to be used against our fellow Iraqis. We saw Libyan weapons sent to Chad and turned there against our brothers. We did not see these Libyan weapons in any of our battles, but we saw them being sent to separatists in neighboring Sudan. Thus, in addition to costing us all this money and dragging us into debt, these weapons are now being used to stab the Arab nation and the Libyan people. Let me say that our hearts bleed when we see that Iraq is being bombarded by weapons offered to Iran by al-Qadhdhafi. Every Libyan feels those pangs of pain in his heart. But this is the tragedy we are facing now.

The tragedy is that all of al-Qadhdhafi's alliances are directed against the Arabs, and all of his actions served no one but Israel, America and the Arabs' enemies. I challenge anyone to convince me that any Israeli official could have served Israel more than al-Qadhdhafi has. He has discredited Arab solidarity and opposed any attempt to reach an agreement or unify the Arabs' ranks. Everything he did served that purpose, and that serves Israeli interests. Suffice it to say in that regard that Israel has tried very hard to brand liberation issues, the PLO and the Palestinian struggle with the mark of terrorism. Al-Qadhdhafi has made it easier for the Israelis to do that. He helped them distort the struggle for liberation.

Gifts from the West

[Question] It has been reported recently that U.S. officials contacted al-Qadhdhafi during the period which coincided with the time when contacts

between America and Iran were being made, specifically in February of 1985. What do you know about how much al-Qadhdhafi knew in advance about the Irangate operations?

[Answer] First of all I would like to affirm that ever since al-Qadhdhafi came to power, all the evidence points to the fact that although the United States may not have been behind his coming to power, it helped him gain control over the situation. Right at the start the evacuation of foreign troops from the country was handed to him on a silver platter, and he used that evacuation as though he had been the one to bring it about. Later, the United States gave him another gift. Oil prices were raised to help the oil companies develop the North Sea oil fields and the Alaskan oil fields. The United States and some western countries were also behind the discovery of numerous attempts to overthrow al-Qadhdhafi, particularly Adam Hawas's attempt. They also uncovered the attempted coup that was made in Sabha in 1970. Therefore, relations between al-Qadhdhafi and the United States continued to be good because his actions served U.S. policy in general. All that happened recently is that al-Qadhdhafi may have developed a sense of his own importance, and he may have stepped beyond the red circle which the United States had circumscribed for him. He made a mistake, and he had to face the consequences of his mistake.

As far as the recent contacts are concerned, the information we have affirms that despite his enthusiastic and resounding speeches against the United States, al-Qadhdhafi was trying very hard to win its sympathy. With regard to Irangate and the weapons scheme between Iran and Israel, no sane person can believe that al-Qadhdhafi knew nothing about what was going on. He did know that Israel was supplying Iran with weapons. And this was not the first time for al-Qadhdhafi to place Libya's resources on Israel's side. He did that before when he supplied Ethiopia with weapons in the battle of Ogaden and in Ethiopia's war against Somalia. At that time Israel too was supplying Ethiopia with weapons.

Tehran and Tripoli

[Question] What do you think does al-Qadhdhafi stand to gain from his alliance with Tehran against an Arab country?

[Answer] Al-Qadhdhafi is a man who in every sense of the term has been denied his blood revenge against the Arab nation. That is why we must not be taken by surprise when we see him supporting Iran. He is well aware of the implications of the crime he is committing, and he knows that it is unforgivable. We hope the day will come when not only this abnormal situation will come to an end, but also the day when all of Libya's resources will be utilized to support our fellow Arabs in Iraq. The fact of the matter is that Iraq is defending Arab borders, not just Iraqi borders. If these borders are broken down, getting to the rest will just be a matter of time.

[Question] What is your interpretation of the statements that al-Qadhdhafi made in Kuwait before the Islamic summit and while that conference was in session? He made statements about the Iraq-Iran war and about the formation of an Islamic force to effect the disengagement of the two feuding countries.

[Answer] We believe these statements are nothing more than a ploy caused by the fact that al-Qadhdhafi has a problem with his Syrian ally. Syria did not give al-Qadhdhafi any role to play in the war in the camps. In his recent statements, al-Qadhdhafi has been merely trying to attract the attention and arouse the fears of his Syrian ally. We believe that he is continuing his opposition to Arab causes and that he is continuing his attacks against fellow Iraqis because he is still supplying and financing a large part of Iran's weapons. It has been established that when Iran was unable to export its oil because the export ports had been bombarded, al-Qadhdhafi stepped in and supplied Libyan oil to those markets which relied on Iran's oil. There were other times when he also offered to send Iran oil.

Chad and Sudan

[Question] What does al-Qadhdhafi want from Chad?

[Answer] The consequences of al-Qadhdhafi's military adventures in Chad are not limited to the military consequences of those adventures and the material and human losses they entail. When one considers the sempiternal relations between the Libyan people and the people of Chad, one finds that these relations, which al-Qadhdhafi is destroying, have been distinguished, historical relations. Throughout the ages Libyans have thought well of the people of Chad, and the opposite is also true. Relations between those two nations were friendly; they traded with each other in a constructive way. When the French attacked Chad early this century, the Libyan people were prompt in coming to the aid of the people of Chad. Under the leadership of Sayyid al-Mahdi, Libyans fought side by side with the people of Chad against the French enemy. Libyans came to know the people of Chad in the same way during the Libyan-Italian war when the people of Chad volunteered to fight with the Libyans. A Chadian leader, (Qajjah), distinguished himself in that war. Then al-Qadhdhafi came along with the military adventures he carried out because of the ambitions he has in Chad. One time he did what he did under the cover of a dispute over Aozou Province. Another time he claimed a desire to utilize and develop the country's uranium. Still another time, he claimed he was supporting Goukouni Oueddei, the legitimate president. But al-Qadhdhafi is motivated by his ambitions in Chad. The recent battles in Chad constitute blatant aggression which undermines the sovereignty and unity of Chadian territory. The Libyan people do not approve of such aggression because the losses are twofold. Every loss for Libya is also a loss for Chad, and every loss for Chad is also a loss for Libya. Suffice it to say that the most significant outcome of this aggression was the foreign intervention in Africa which was manifested by the return of French troops to Chad. All that we are hoping for is that our brothers in Chad realize that what al-Qadhdhafi is doing in that country is not an expression of the Libyan people's wishes and aspirations. We want them to realize that al-Qadhdhafi's actions do not express the feelings that Libyans have for the people of Chad.

[Question] How do you explain al-Qadhdhafi's dissolution of his alliance with Goukouni Oueddei and the replacement of that alliance with one with Accheik ibn Oumar?

[Answer] Al-Qadhdhafi's alliances have never been based on foundations. Al-Qadhdhafi used Goukouni to introduce Libyan forces into Chad. Under foreign

and international pressure, however, Goukouni asked al-Qadhdhafi to withdraw the Libyan troops. The Libyan troops were withdrawn, but Goukouni did not last. He was toppled immediately after that. His fall from power provides evidence that it was the Libyan troops who were supporting him. I recall in that regard that when al-Qadhdhafi wanted to get rid of Oueddei, he summoned him and told him that the people of Chad no longer wanted him to be their president. Goukouni replied, "I too believe that the people of Libya no longer want you to be their president!" The situation became critical at a time when Hissein Habre's troops were consolidating their control over Chad. So al-Qadhdhafi ordered his subordinates to attack Goukouni Oueddei's position because Oueddei had become a burden to him. The attack was actually carried out, and Oueddei was stabbed in the stomach. That is why we saw al-Qadhdhafi's agencies claiming that Oueddei had undergone surgery to remove his appendix. What matters is that it was Hissein Habre's control over Chad that impelled al-Qadhdhafi to invade that neighboring country.

[Question] What does al-Qadhdhafi want from Sudan?

[Answer] Al-Qadhdhafi thinks that he can penetrate Sudan with his influence. He supported John Garang's separatist movement because he would like to control Sudan. I would not think it unlikely that al-Qadhdhafi is still continuing his support for Garang. When the Sudanese people rebelled, al-Qadhdhafi sent his revolutionary committees to Sudan. It were as though he wanted to occupy the country. Those Libyan revolutionary committees were involved in numerous practices and excesses in Sudan, including an attempt to buy people's support. But the Sudanese people, who have an extraordinary degree of political awareness, realized those objectives. Actually, al-Qadhdhafi is still trying to take advantage of economic conditions in Sudan. He is applying all kinds of pressure in the hope that he might find a foothold for himself. Once again, he is doing this because he thinks that if he were to penetrate Sudan, he would be able to penetrate eight African countries from there. Our information shows that al-Qadhdhafi has been trying everything to achieve that objective. Our information also shows that he may resort to the use of force if that becomes necessary. The presence of Libyan troops in Kordofan, the project to establish an agricultural company in Wadi al-Ni'am, and the plan to set up a fraternal relationship between al-Jufrah and Kordofan are nothing more than steps that pave the way for the realization of al-Qadhdhafi's dreams. Recently, al-Qadhdhafi sent groups of Libyans to Sudan claiming to be graduate students at the University of Khartoum. Our information shows that these groups of people are loyal to al-Qadhdhafi and are trying to carry out his plans.

The Unity of the Opposition

[Question] What about the front's contacts or actions on the Arab scene to explain the Libyan problem?

[Answer] We are always striving to make contacts with different circles in the countries where we feel that our contacts would serve the national cause, and particularly in the Arab countries. In that context we allow nothing to hold us back, but we do try to enter into these contacts in a legitimate manner. Political activity as well as contacts with different countries are also part of

the front's basic programs. I have the distinction of being involved in this particular activity.

Ever since we got started we have been striving, and we are always striving, to make such contacts so we can explain what the Libyan people are going through and expose al-Qadhdhafi's terrorist and treacherous practices. We also want to make it clear to our brothers that we do not approve of al-Qadhdhafi's barbarian practices against fellow Arabs. Our goal in making these contacts is to give fellow Arabs a sense of their role and ask them to take on that role and support the Libyan people. By supporting the Libyan people, the Libyan cause and Arab causes would win a victory. Such contacts, which include all fellow Arabs, are made either in person or by correspondence. We also try to attend Arab, regional and international conferences without exception.

[Question] As far as Arab countries are concerned, where do you receive an enthusiastic welcome? Where are you welcomed with reserve, or in which country or countries do officials decline to welcome you?

[Answer] In the context of our Arab contacts we are actually embittered sometimes because some Arabs have not responded to us even though our cause is clear and their role is also clear. Some Arabs have also discredited our struggle. By the same token, however, we found fellow Arabs who stood by us. They assumed glorious positions that will be preserved in history. I do not want to name the countries that are helping us because some of them just want to be mentioned in history for what they did, but I do want to mention Egypt and Iraq in particular. Iraq's position with us is unforgettable, particularly since it comes at a time when Iraq is facing this crushing war and this Iranian aggression.

[Question] Our last question is this: What are the implications of recent reports about efforts that are being made to unify factions of the Libyan opposition?

[Answer] With regard to the question of unifying the opposition, we in the front have a clear policy which is manifested in the view that the aim of any unification must be to increase the effectiveness of the Libyan opposition. In order for that condition to be achieved, unification must come about gradually, according to objective principles and formulas that would guarantee its continuity.

To us such unification would be a dream. We lived through attempts to unify two or three factions, but the consequences of those attempts were the opposite, and the unification did not last. When unification attempts failed, the differences between the factions that had been united got worse.

What happened recently did not go beyond talking about those reports. In other words, no specific steps were taken.

The unification of the opposition must be spurred by what we need to do for the struggle; it must not stem from a specific foreign or international situation.

Unification is a means for achieving an end; it is not an end in itself. The absence of unity in the Libyan opposition has not been in and of itself the principal reason why al-Qadhdhafi's regime has survived. While the NFSL is concerned about the unity of factions in the Libyan opposition, it wants that unity to come about in accordance with principles that would guarantee it to last. Until that happens, our relations are good with all factions of the opposition, and we are always trying to meet and talk with them. We welcome every effort that might be made to achieve our goal, and that is to get rid of al-Qadhdhafi's regime first and then establish a democratic alternative which would be acceptable to the Libyan people.

[Box, p 16]

Ahmad 'Abd-al-Qadir: The Colonel's Fees

After squandering Libya's resources on terrorism and terrorists and the sabotage and destruction that are carried out by his mercenaries and agents, al-Qadhdhafi found himself forced to make students at academies and universities pay tuition fees. That is how al-Qadhdhafi is confirming his destructive role in Libya's society; he is doing that in one of its most important sectors: the education sector.

Al-Qadhdhafi who in the past has spared no effort to undermine and disrupt educational institutions in Libya has often changed the courses of study so as to make them compatible with his ideas or with the so-called Green Book. He abolished elementary education and decreed that it be carried out at home. Today, he is resuming the implementation of his destructive plan by decreeing the payment of fees for tuition, for textbooks, and for examinations.

This decree which al-Qadhdhafi ventured to issue shows him in one of his roles. His aim in playing that role is to keep the Libyan people ignorant and to force them into illiteracy.

This decree will become an obstacle for parents, keeping them from sending their children to school. Parents will not be able to send their children to school because they will not be able to pay those fees after al-Qadhdhafi seized their property and possessions and nationalized their companies and private trade. Even salaries were reduced significantly, and a civil servant is no longer able to provide himself with the food, clothing and drink which are his essential requirements.

Al-Qadhdhafi has squandered Libya's resources and fortune in promoting his little Green Book and the so-called Third World Theory, in financing terrorism and terrorists, and in planning conspiracies, intrigues and military adventures. Today, we find him saving money by cutting spending in the education sector: one of society's most important sectors.

If al-Qadhdhafi's intentions for his people and fellow citizens were sincere, he would have saved much of the funds he squandered left and right on matters that brought ruin and destruction to various countries and humiliation and shame to Libyan citizens. Instead, he could have spent those funds supporting the education sector and encouraging students to continue their education.

But al-Qadhdhafi's evil intentions for the Libyan people and their institutions and his deep-seated destructive spirit induced him to squander Libya's tremendous resources. And now the only thing he can come up with is to make students pay tuition fees.

We would like to mention one other point. [We would like to ask] how these tuition fees will be collected now that al-Qadhdhafi has approved a barter system!

Will citizens pay those fees by giving up the surplus sugar, rice and flour they have? Or will al-Qadhdhafi come up with yet another way and another innovation? He has introduced so many innovations into Libya! Everything that is strange and odd comes from al-Qadhdhafi's Libya.

[Box, p 17]

Ibrahim Sahd

--He was born in 1943 and graduated from the Military College (the first in his class). He moved up gradually in numerous military positions until he achieved the rank of major in 1969. When al-Qadhdhafi came to power, he removed him from the army, put him to work in the diplomatic corps, and sent him out of the country. Nevertheless, both he and his late colleague Ahmad Hawas were watched by al-Qadhdhafi's aides. Al-Qadhdhafi wanted to hear about their news and their movements.

--In the diplomatic corps he moved around among Libya's diplomatic missions, serving in Jordan, in Washington, and in the United Nations. Then he served in the Political Affairs Division of Libya's Ministry of Foreign Affairs. Then he was appointed charge d'affaires at Libya's Embassy in Argentina.

--He resigned and joined the ranks of the opposition. He made that announcement in a statement that was published by newspapers and news agencies on 25 August 1981. Then he participated in the establishment of the National Front for the Salvation of Libya [NFSL]. He announced the establishment of that front in Khartoum on 7 October 1981.

--He was elected to serve on the NFSL's Executive Committee while the front's first national conference was in session. He was re-elected to the committee during the conference's 1985 session. In addition, he also serves as the front's political commissioner, a post he has held since 1982.

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PERES SAID TO BE REMOTE, INACCESSIBLE TO MINISTRY AIDES

Jerusalem THE JERUSALEM POST in English 9 Jan 87 pp 1, 15

[Article by Benny Morris]

[Text]

A feeling of alienation and professional ineffectiveness has taken hold of a large number of senior officials at the Foreign Ministry, and, unexpectedly, even among Labour Party supporters there is a spreading sense of nostalgia for the years of Yitzhak Shamir's incumbency as foreign minister.

Sources in the ministry attribute the widespread despondency largely to "the Olympian remoteness and inaccessibility of Foreign Minister Peres, and to the clique of 'lads' who surround and insulate him from the professional staff and who often treat the staff with condescension."

The sources said that Peres, often busy with other national affairs, very rarely, if ever, consults with the senior ministry professionals, the deputy directors-general and the department heads. He seems to have delegated the management and handling of the ministry and foreign policy to his coterie of assistants, principally director-general for political affairs Yossi Beilin, political adviser Nimrod Novick and chief of bureau Uri Savir. These embark on and carry out policy initiatives often without proper consultation with or staff-work by the ministry's professionals.

The sources gave as examples Novick's recent meetings with Soviet officials - without proper advanced consultation with and

preparation by the ministry's Eastern European experts - and recent meetings with Jordanian officials - without advanced planning and input by the Middle East and Research Division experts.

The sources said that the ministry professionals have not been consulted about and have made no contribution to the current talks with visiting U.S. Assistant Secretary of State Richard Murphy.

Sources close to Peres said that "it is not easy to react to anonymous allegations " and that " the ministry was indeed of assistance to the minister in carrying out an active peace and foreign policy."

But the ministry sources said that Shamir, unlike Peres, regularly consulted the ministry professionals on a variety of issues.

Beilin, said the sources, meets and consults with the deputy directors-general and acts as a sieve, or buffer, which keeps the professionals out of Peres's office.

The ministry's second director-general, Avraham Tamir, say the sources, is largely participating in decision-making on most important issues. The sources cite policy towards the U.S. and Soviet Union, information, and the peace process as subjects on which Tamir has no say at all, although he reportedly plays a role in decision-making concerning Israeli-Egyptian relations.

Tamir's political "boss," Minister without Portfolio Ezer Weiz-

man, who has offices in the ministry and describes himself as a "lodger" there, is more removed from the reins of decision-making than at any time since the establishment of the national unity government (save for his membership in the inner cabinet).

An exception to the "neutralization" of the deputy directors-general and department heads, the sources said, is the deputy director-general for Western Europe, Yishayahu Anug, who is respected by the Peres "lads" and is at times consulted on important issues, such as the handling of the Vanunu affair's impact on relations with Britain and Italy.

The sources said that a good indication of the change in the ministry's method of operating since Shamir's departure for the Prime Minister's Office is the fact that the new spokesman, Ehud Gol, attends relatively few of Peres's meetings, whereas the previous spokesman, Avi Pazner, rarely left Shamir's side.

The sources charged that Peres's "lads" - save for Beilin - are largely inaccessible and often brushed off the ministry professionals. "Power or proximity to power seems to have gone to their heads," said one well-placed source. With bitterness, he noted that Savir, 34, himself emerged from the ministry before being chosen by Peres as his bureau chief.

Observers said yesterday that the disaffection at the ministry can be traced to rotation-time last October, when Peres's arrival at the ministry from the Prime Minister's Office was met with howls of protest. The ministry staff committee and various senior officials complained that Peres had come with an inflated personal staff of advisers who would inevitably usurp the powers of the ministry professionals. At one point, the staff committee even hinted at going to the High Court of Justice.

Peres, said the observers, was hurt by this unseemly, hostile reception, and may then and there have decided "to run foreign policy alone, without the ministry."

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SAUDI ARABIA RENEWS AID TO TERRITORIES

Jerusalem THE JERUSALEM POST in English 14 Jan 87 p 9

[Text]

Saudi Arabia recently transferred \$9.5 million to the Jordanian-Palestinian committee for support of institutions in the territories, in a move to encourage Jordanian-PLO cooperation, the East Jerusalem *al-Kuds* newspaper reported yesterday.

The Saudis have also earmarked undisclosed "millions" of dollars for universities in the territories, as part of their commitment to provide \$38 million to the joint committee in

1987, according to the paper.

The Saudi move is believed to be aimed at reviving the joint committee, which has been defunct for over a year due to a cutoff in Arab funds and the split between Jordan and the PLO.

The aid was timed to arrive shortly before the convening of the Islamic summit in Kuwait, and could be followed by similar contributions by other Arab countries, the paper said.

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ESTABLISHMENT OF ENGLISH UNIVERSITY UNDER CONSIDERATION

Jerusalem THE JERUSALEM POST in English 9 Jan 87 p 4

[Article by Aryeh Rubinstein]

[Text]

Nothing came of an idea broached about 20 years ago that an Israeli university offer a four-year programme leading to a bachelor's degree with English as the language of instruction.

The subject has now been revived by Yossi Windzberg, an Education Ministry official who says that the low aliya figures and the high rate of assimilation give him no rest.

Knesset Aliya Committee chairman Miriam Glazer-Ta'asa told the House last month that she met Windzberg last summer in New York.

He sold her on the English-university-in-Israel idea and she presented it to the Knesset. Education Minister Yitzhak Navon said he was all for it. It could well attract "more and more young people" to study here and maybe even settle here.

Navon said he had already asked the Council of Higher Education's committee on overseas students to take up the question. Glazer-Ta'asa's motion, at his request, was referred to a joint committee comprising members of the education and aliya committees.

The basic premise behind the idea is that single, college-age young people are the best prospects for aliya, since they are more mobile and do not have family responsibilities. But the present undergraduate English-language programmes do not run longer than one year. Overseas students who want to do all their under-

graduate work here must first be proficient in Hebrew.

Windzberg says that many U.S. colleges, in order to improve their quality, are now deliberately accepting fewer applicants. This new policy should create a greater potential for an Israel university, he says.

For American parents, the idea of sending their son or daughter to study in Israel has two attractions, Windzberg says. First, it reduces the danger of assimilation and mixed marriage that exists in an out-of-town college in the U.S. Secondly, it is cheaper. Excluding the state universities, the average annual cost of tuition and accommodation in the U.S. is \$17,000 compared with \$6,000-8,000 here.

In a normal (non-crisis) year, about 6,000 North American high school pupils come here for summer programmes, and 700-1,000 students attend the universities' one-year English-language programmes, Windzberg says. He links this with another statistic: of some 2,000 North American olim who have been coming annually in the past few years, one-fourth previously participated in some educational programme here.

The longer an American student is exposed to Israel (including the Hebrew language, the study of which will be compulsory), he reasons, the greater the prospects of his settling here.

Emissaries in the field all agree that such a programme is sorely

lacking, Windzberg asserts, in reply to a question about demand. "Look," he says "there are 300,000-400,000 Jewish students in North America. There are 6,000 at the State University at Binghamton, N.Y. alone, and 3,000 at Cornell. We're talking about trying to attract 1 per cent. The problem is proper promotion and offering a prestigious programme."

Particularly good targets at this time are students from South Africa, many of whom are now going to study at Australian, Canadian and U.S. universities, he says.

Because of Jerusalem's historical associations, its drawing power, and the prestige of its university, the Hebrew University is Windzberg's first choice - even though another institution has evinced greater enthusiasm.

In principle, the Hebrew University decision-makers are all for the idea. But according to a knowledgeable source, there is hesitancy about taking the plunge, largely because of the university's financial plight. However, Arye Dulzin, chairman of the Jewish Agency Executive has promised money as soon as the university says yes.

Windzberg doesn't say how many olim his two years of *shlichut* produced (nor did I ask him), but his period in the U.S. enabled him to meet - and sell his idea to - an impressive array of American-Jewish leaders.

LAKE KINNERET AT RECORD HIGH LEVEL.

Jerusalem THE JERUSALEM POST in English 11 Jan 87 p 2

[Article by Ya'acov Friedler]

[Text]

HAIFA. - The level of Lake Kinneret has risen by more than one metre for the first time in a decade.

The Kinneret management now believe that the lake may reach its optimal level by the end of the rainy season and possibly exceed it in which case the sluices will have to be opened and a lot of water wasted.

Management chairman, Zvi Ortenberg, said on Friday, that in October, the level was down to 212.45 metres below sea level, the lowest level in half a century.

By Friday it was back to 211.43 metres below sea level, having taken in 170 million cubic metres of water

during November and December.

Experts estimate that the plentiful snowfall on Mt. Hermon is likely to add as much as another 50 cm. to the lake's level, when the snow melts and reaches the Kinneret in late spring, adding another 80 million cubic metres of water.

The situation is now so hopeful that Mekorot water company resumed pumping on a limited scale on January 1, taking out several hundred thousand cubic metres of water daily and pumping it into underground reservoirs to replenish the big deficit built up over the past 20 years.

The lake is now rising at a rate of from two to seven centimetres daily,

depending on the rainfall, which is unprecedented during the past decade. Each cm. adds 1.7 million cubic metres of water.

"If we get up to minus 209 metres we'll be in clover," Ortenberg said. "But if it keeps going up beyond that we'll be in trouble and will have to open the sluices and let the water go."

Perhaps the only person sorry to see the lake come into its own again, is Mendel Noon of the Ein Gev lakeside kibbutz, an expert on the lake's history.

He has been examining remnants of old fishing ports along the shore, which were exposed for the first time in decades by the receding water.

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NEW BOOK RECORDS AID TO LEBANON'S ISLAMIC RESCUE FRONT

Kuwait AL-SIYASAH in Arabic 15 Oct 86 p 4

[Article: "Al-Muttawa' Says: 'Kuwait was First to Respond to Our Call and to Translate Our Benevolent Relationship into Reality'"]

[Text] The representative of the Lebanese Islamic Rescue Front, attorney Mubarak al-Muttawa', announced that the Front has published a book recording the aid received from the people and Government of Kuwait. Dr Muhammad 'Ali al-Danawi, the Front's chief, stated in the book's introduction his special gratitude to His Highness the country's ruler, His Highness the Crown Prince, the prime minister, the minister of Awqaf and Islamic Affairs, a number of officials, and some public and government institutions, for their support to charity activities provided by the Front to a large segment of the Lebanese people in their present crisis.

Attorney al-Muttawa' added: "Kuwait was among the first to respond to the call of Lebanon's Islamic Rescue Front. This response came when a delegation headed by Dr Muhammad 'Ali al-Danawi, the Front's Chief, paid a visit to Kuwait and discussed with the officials there, the situation in Lebanon and the need for assisting those affected by the war. His Highness the Prince of Kuwait requested the cabinet to study the cable sent by Lebanon's Islamic Rescue Front. The matter was assigned to a special committee to determine the appropriate action to be taken."

Attorney al-Muttawa' praised the relationships between the Front and a number of elements, and state and public agencies in Kuwait. He also stated that these relationships have been translated into real action in the form of assistance received by the Front. This assistance is allocated among a number of charity activities and humane projects such as taking care of the orphans, helping the needy, caring for the sick, funding religious education, paying burial expenses for needy Muslims, and commemorating Sunna tradition of "halal" slaughter of animals and distributing the meat among the needy. In addition to all that was the establishment of Bayt al-Zakat (house of charity) and Charitable Solidarity, which is operating similar to Bayt al-Zakat in Kuwait.

The Front was able to renew and update its charity work methods according to the Islamic teachings, especially when the Front was formed by combining a number of Islamic associations accepted to work collectively according to God's

works: "Cooperate to do good and to be pious." This step taken by the Islamic Rescue Front, in Tripoli, was considered an advanced stage toward the transformation of charity work into a collective institutionalized pioneer effort according to plans and expectations, without ignoring or replacing individual or collective charity initiatives.

He added that the establishment of Bayt al-Zakat and Charitable Solidarity in Tripoli was accomplished on 15 October 1983 by Kuwaiti assistance, on the condition that funds from zakat should be spent legitimately. The Front was able to pay the school fees for a large number of students from Muslim families in Tripoli, purchase medicine for the sick, care for orphans and the children of martyrs. The Kuwaiti Bayt al-Zakat also sponsored 50 orphans.

The Front succeeded in its call to Tripoli's wealthy to do the same as their fellow brothers in Kuwait did, so the number of sponsored orphans doubled to more than 200.

Mr al-Muttawa' concluded his speech pointing out that the charity work of the Front has expanded recently to include a large number of Islamic areas and villages. Also a vocational training program is underway for those who need assistance and able to work. In addition, branches for Bayt al-Zakat and other institutions will be opened in the Northern district in order for the Front to have a decentralized charity work. This work is supported by Tripoli's wealthy and a number of institutions in Kuwait and Saudi Arabia.

13034/12851
CSO: 4404/55

CHAIRMAN OF INDUSTRIAL INVESTMENTS COMPANY INTERVIEWED

Kuwait AL-QABAS in Arabic 28 Jan 87 p 13

[Interview with Dr Talib Ahmad 'Ali, Chairman of the Board of the Industrial Investments Company; date and place not given: "The Venture Capital Style of Investment in Industry is not Applicable in Kuwait"]

[Text] 'Abd-al-Fattah Darwish writes:

Dr Talib Ahmad 'Ali, chairman of the board of the Industrial Investments Company said in a conversation with AL-QABAS that the idea of venture capital investment is not applicable in Kuwait, because of the absence of certain elements that enable this kind of industrial investment to succeed.

Dr Talib added that the exaggeration of the size of the market and the lack of accurate statistics are the reasons for the inadequacy of certain economic feasibility studies.

Dr Talib revealed that the Industrial Investments Company had decided to create two industrial companies in the framework of its new plan. One of these companies will be for the breaking down of scrap metal and the other will be linked to the desalinization of seawater, in addition to producing a number of industrial consumer goods and foodstuffs.

Dr Talib pointed out that the management of industrial projects, with its commercial mentality, is the cause of one of the problems from which local industry is suffering and that it was a reason for the faltering of more than one industrial project that had had the elements of success.

The following is the text of the conversation:

[Question] What is the meaning of venture capital investment in industry?

[Answer] The basis of the idea of venture capital is that it be invested in high technology to diversify or improve production. Now this idea has broadened to include a company that is seeking financing before it is registered in the stock exchange.

It is a kind of investment that is linked to high risk as well as to financial returns. It is usually made in advanced technology.

Venture capital may be divided into three stages.

--Investment in ideas from which a new product is formed. This often requires a moderate amount of money in the beginning. It is distinguished by very high financial risk and comparable returns.

--Investment in a product whose technical merit has been proven and for which the stage of commercial development and growth has begun. In this stage, more financing is needed, but the element of risk is less than in the first stage, as are the returns.

--Commencement of a project, the merit and marketability of which has been established and which needs financing in order to expand and create new markets. The project in this state is in the stages before the final one of registering its shares in the securities market. This is the least risky stage and the one of lowest returns.

Venture capital investment is limited to a certain sector. It is linked to computer and related products, medical products, information technology, and industry supervision.

[Question] What are the possibilities of applying the method of venture capital investment in Kuwait?

[Answer] It is difficult to apply it in Kuwait because the elements upon which this kind of investment is based are not available locally, since it requires a large consumer market, advanced centers of research, and a flexible and advanced securities market.

Thus we find that venture capital investment has succeeded in America because of the existence there of these elements.

[Question] But your company is one of those interested in this investment style. What is the reason for this interest, if this style is not applicable locally?

[Answer] We invest inside and outside of Kuwait. The principal aim of investment abroad is to balance our local long-term investments with medium-term investments abroad.

Therefore, we have shares in companies and industries and we participate in and direct venture capital investment funds that concentrate their activities in high technology. The primary goal is commercial return. However, there are other goals, such as learning about foreign experiences and the transfer of projects and new ideas to Kuwait. We are endeavoring to link our foreign investments with projects in Kuwait.

[Question] Is your company closely linked with the Industrial Bank?

[Answer] Our company is concerned with industrial investment and everything related to it inside and outside of Kuwait, in an attempt to direct investment into a productive sector locally and to open a new channel for investment in the productive sector abroad, instead of into financial markets and real estate, which is the prevailing style of our investment abroad.

We are an independent company in which a large number of local companies and institutions have an interest. The most important of our shareholders is the General Investment Agency, which owns 31 percent of the shares of the company. The Industrial Bank is the second largest shareholder in the company and owns 21 percent of its shares. The reason for relationship between us and it is that the idea of establishing the company originated in the Industrial Bank.

[Question] But there is a strong cooperative relationship which is perhaps characterized by the cooperation in the industrial projects that originate in the Industrial Bank.

[Answer] As I said, the principal reason for our relation with the Industrial Bank is that the idea for the company originated in the Industrial Bank and that it is one of the important founders of it. Likewise, we operate in the same area, which has led to a great deal of interaction and cooperation between us. However, our company is run independently by its board of directors and we do not have any relation to the companies that the Industrial Bank funds or owns. As to the industrial companies parented by the Industrial Bank, like any other investor, we regard these floundering projects purely from an investment point of view and will make offers to buy them or buy stock in them, if we wish to do so, according to our evaluation of the project, just as any other investor would.

As to our decision in this regard, it is governed by the reasons for the floundering of the project and the possibility of treating them, if the problem is in the management, for example, or in financing.

We have invested in two of the companies owned by the Industrial Bank, the Skin Products Company, in which we have an 80 percent interest, and Carminco Company for the production and maintenance of refineries, in which we own a 15 percent interest. We decided to buy stock in these two projects because our studies showed the possibility of saving them and making them successful again.

Our other local projects, the Electrical Boards Company, in which we own a 45 percent interest, and the Gulf Company for the Production of Glass, in which we have a 15 percent share, are not companies that were owned by the Industrial Bank.

[Question] It has been noted that you have interest in only a few projects in Kuwait.

[Answer] The general situation of the Kuwaiti economy and the slowdown that has occurred in recent years has led to the existence of what may be termed a

scarcity of new ideas in the industrial sector. Therefore, we have turned to the consideration of faltering projects that may be saved. We currently have a number of projects, including new ideas for projects, one of which has to do with the production and breaking up of scrap and another of which is for the desalinization of seawater. Our plan includes the implementation of projects for the production of consumer goods. We are also looking into the opportunities available for investing in one of the existing companies.

[Question] The inadequacy of several feasibility studies has led to a negative experience in industrial investment in Kuwait. What are the reasons for this inadequacy?

[Answer] Many studies were done and were based on the estimates of the boom period. These did not take changes into consideration. One of the widespread errors of this period was the exaggeration of the size of the local market, the calculation of the Gulf market, and the exaggeration of the possibility of depending on it, without taking into consideration the obstacles of exporting to the Gulf markets.

There is another point, which is that the total demand for various products in the Gulf states has decreased. There are cases where the mistake was not actually in the feasibility studies, but in their implementation, where the phenomenon of escalating costs prevailed and there was a lack of experience of industrial project management, since its elements differ from those of commercial project management. The nature of the mentality in Kuwait is commercial and the attempt in more than one industrial project to run it like commercial projects was the reason for failure.

[Question] But weren't many of the figures appearing in some of the studies were inaccurate?

[Answer] This is not the fault of the investment houses. Rather, the reason for it is the absence of centers of information and statistics, which makes the process of gathering accurate statistics and data difficult. This inadequacy in data opens the doors of efforts to estimate various figures and these efforts may lead to exaggeration in the estimates.

[Question] How can the industrial investor deal with this problem?

[Answer] The investor can request one of the investment houses to reevaluate the study provided in order to get a second point of view. This is a well-known procedure. As a company, we evaluate the ideas and studies presented to us and prepare studies for others. This is not one of our principal functions, but we are prepared to offer an opinion in this area and to help investors, whether they be companies or individuals, with re-evaluating the ideas and studies that they have concerning industrial projects. We performed this service when we participated in the preparation of studies for three projects.

We are also willing to look into the possibility of investing in projects if the author of the idea does not have enough capital.

13292

CSO: 4404/226

COMMITTEE FORMED TO DEVELOP ISLAMIC CURRICULUM

Kuwait AL-SIYASAH in Arabic 13 Oct 86 p 3

[Article: "The Formation of a Committee to Develop Curriculum for Islamic Education"]

[Text] A decree was issued by the deputy of the Ministry of Education to form a central committee for the development of Islamic curriculum, to achieve the general objectives of education in Kuwait.

The committee is headed by Dr Muhammad Salah-al-Din 'Ali Mujawir, and includes the members:

Mr Muhammad Muhammad 'Abd-al-Halim al-Shaykh, the General Director for Islamic Education.

Dr Muhammad 'Abd-al-Ghaffar 'Abd-al-Rahim al-Sharif, Ministry of Awqaf and Islamic Affairs.

Dr 'Abd-al-'Aziz Ismail Saqr, College of Islamic Legislation, University of Kuwait.

Mr Yusuf 'Abd-al-Rahman al-Furt, College of Education.

Mr Muhammad Mahmud Zayn-al-Din Nassar, Office of Curriculum and Text Books.

Mr 'Abd-al-Fattah 'Ali al-Sukkari, Center for Educational Research.

Mr Mahmud Ahmad Hajur, the Superintendent for the Capital School District.

Mr Hammud Hattab Hasan al-Hattab, the Superintendent for Hawly School District.

Mr Hasan Ramadan al-Shuwaykh, the Superintendent for al-Farwaniyah School District.

Mr Sanad al-Sayyid 'Imara, the Technical Director for Secondary Education.

Mr Muhammad Nasr Mustafa Nimrah, the Technical Director for Elementary Education.

Mr 'Abdallah Sulayman Muhammad al-Shayiji, First Instructor at al-Shamiya Secondary School.

Mr Jasim Muhalhil al-Yasin, Instructor at Farnhan al-Khalid Secondary School for Boys.

Mr Badr Hasan Bandar al-Rifa'i, the Technical Supervisor at Khabbab Bin al-Urt Elementary School for Boys.

The outline of the duties of the committee in constructing curriculum and determining school books, is as follows:

To build improved Islamic education curriculums for general secondary education, in order to meet the requirements and to be an extension of the improved curriculum for the elementary and intermediate education. In addition to providing an abstract for Islamic education books for secondary education.

As for the teachers of Islamic education and the improvement of their performance:

- Determining the characteristics of Islamic education teachers and their qualifications.
- Planning to develop Islamic education teachers, training them, and supplement any deficiencies in their preparation in order for them to meet the requirements of the improved curriculum and to develop their educational thinking.
- Determining the standards of performance for Islamic education teachers according to the duties and responsibilities of the job.
- Determining evaluation procedures for the teachers in accordance with their educational and professional tasks.
- Determining the educational framework for teachers' performance methods according to the requirements of the improved curriculum, renewed educational thinking, and field experience.
- Improving the methods of teaching Islamic education curriculum, to insure the flexibility of these methods and their ability to keep up with the new developments in the field of education.
- Preparing the scientific material for language laboratories' lessons in the area of Islamic education, as a continuation of the Committee's work which started in 1982-83 session.

As for other assignments, the committee will study issues, ascribed to it by the Ministry of Education, related to Islamic education curriculum. Especially the results of experimenting with the improved curriculum and providing the appropriate recommendations and suggestions.

The Committee's work style:

The Committee's work in its present session is an extension continuation of the work done by the Development Committee in its previous session in 1985-86. The committee will determine the method in which it will accomplish its assignments according to a programmed plan to accomplish certain assignments at a certain time.

All agencies concerned will contribute to the development process according to what is stated in "Curriculum Committees Work Guide."

The committee will hold its first meeting within one week of the issue of this decree. All meetings will be in the evenings, after official work hours.

Financial compensation for members of the Committee will be determined according to the regulations and bylaws specified in this matter.

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BRIEFS

ARAB FOOD INDUSTRY CONFERENCE--His Highness the Crown Prince and Prime Minister Shaykh Said al-'Abdallah al-Salim al-Sabah, attended the first conference on the development of good industries in the Arab World. The conference was organized by the Kuwaiti Institute for Scientific Research, The Kuwaiti Institute for Scientific Advancement, the Kuwaiti Union for the Merchants and Manufacturers of Foodstuff, and the Arab Union for Food Industries. His Highness had deputed His Excellency the Minister of State for Cabinet Affairs, Mr Rashid 'Abd-al-aziz al-Rashid to attend the opening ceremony which was held on Monday morning at the Kuwaiti Institute for Scientific Research. [Text] [Kuwait AL-SIYASAH in Arabic 13 Oct 86 p 2] 13034/12851

ECONOMIC AGREEMENT WITH JORDAN--The Jordanian Prime Minister Mr Zayd al-Rifa'i has paid an official 3-day visit to Kuwait. He met with the Prince, Shaykh Jabir al-Ahmad and held a series of meetings with the Crown Prince and Prime Minister Shaykh Said al-'Abdallah al-Salim Al-Sabah. The Jordanian-Kuwaiti talks centered around the general situation in the area and renewed their call to end the Iraqi-Iranian war. Also discussed was the revival of common Arab efforts. Both sides signed an agreement facilitating economic, industrial, and investment cooperation between them. The agreement offered Jordanian investment projects for Kuwaiti investors. The agreement also included the emphasis on increasing and diversifying the volume of trade between the two countries, the exemption of locally produced goods from tariffs and import fees, total cooperation in field of manpower, especially in the areas of expertise, and the promotion of tourism, transportation by sea, air, land and transit. [Text] [London AL-HAWADITH in Arabic 24 Oct 86 p 9] 13034/12851

SECURITY OFFICERS CONFERENCE--Yesterday morning, the directory general of the Police College, Lieutenant Colonel 'Abdallah Hamza al-Rumi opened the fourth specialized session for ministries and government agencies security officers at the training academy. There were 32 participants from the ministries of water and electricity, transportation, and the Kuwaiti Airlines. The session will last for 1 month. Attending the opening were the Assistant Director General of the Academy, Lieutenant Colonel 'Ali-Ya'qub 'Abdallah, the Director of the Police Officers College, Major Khalid al-Yahya, and the heads of departments in the Police Academy. In his speech, Colonel al-Rumi welcomed the trainees and pointed out the importance of the session in preparing security officers in the ministries, government agencies and companies.

He also pointed out that the training program was designed to meet the necessary security requirements to protect key establishments, and as an initiative for constructive cooperation between the Administration and the other government agencies. It is also a sign of increasing security awareness and an application of the most recent training theories. The program also includes exercises in civil defence, fire protection, monitoring the security of different establishments, and the introduction of small firearms and first aid procedures to the trainees. A speech also was made by First Lieutenant Ahmad al-Darbas, in which he pointed out the importance of the conference under the present circumstances which requires the collaboration of all efforts. [Text] [Kuwait AL-SIYASAH in Arabic 13 Oct 86 p 3] 13034/12851

CSO: 4404/55

INDUSTRY FLOURISHES AT HOME, FAILS TO REACH FOREIGN MARKETS

Beirut AL-MUSTAQBAL in Arabic 17 Jan 87 pp 42, 43

[Article: "Saudi Arabia Seeks an Arab Position in Face of the West's Rejection of Arab Industrial Products"]

[Text] Industrial development in the Kingdom of Saudi Arabia is considered recent relative to commercial activities. The economic policy of the Kingdom is aimed at diversifying the sources of its economic base by decreasing dependence on the crude oil export sector as the principal source of national income and by producing a real change in the economic structure of the country through a continual evolution toward diversifying the productive base by concentrating on industry, agriculture, and the development of mineral resources and encouraging exploration for them and investment in them. The Kingdom of Saudi Arabia has defined the principles of its industrial policy in several points that include the encouragement and extension of the area of transformational industries and other areas based on industry, because of the contribution to the national income that these areas make, the establishment of the principle of free competition among industrial organizations, and the selection of projects more suitable to market needs.

The government has undertaken to establish the large industrial projects that the private sector cannot undertake alone, although investment in them is open to the private sector or shares in these projects may be sold to the public at the appropriate time to achieve the public interest. The government also welcomes the participation of foreign experience and capital in the industrial sector and invites it to cooperate with Saudi businessmen in the establishment of industrial development projects.

The industrial infrastructure of the Kingdom is based on two principal supports. They are:

--The basic industries sector based on hydrocarbon substances;

--The sector of transformational industries activities;

The basis of industrial production in the Kingdom has broadened to embrace several sectors, including:

--Projects established and operated by the Saudi Arabian Basic Industries Corporation, SABIC. The majority of these projects are in the hydrocarbon industry, followed by the heavy metals industry. The industries with which SABIC concerns itself are characterized by very advanced technology and take the form of joint companies in which foreign partners have varying shares of capital not exceeding 50 percent. These industries compose what are called the basic industries.

--The second sector in this base is the factories. Most of the projects in this sector have received loans from the Saudi Industrial Development Fund to construct factories. The production of these industries is directed primarily into the local market, in which competition under the principles of a free economy prevails.

--The third sector is the small factories (workshops) that carry out repair activities and produce goods on a small scale.

The number of productive factories in general at the end of 1985 was 1874, of which 79 percent were national and 21 percent were jointly owned and foreign. Their total capital was 59.8 million riyals, of which the share of national investment was 50.4 percent, and the joint foreign share was 49.6 percent. The number of workers in these factories was 126,204.

The basic metals, construction, and engineering products activity is considered the most important of the industrial activities in terms of numbers (28 percent), followed by the construction materials industry, including cement (27 percent), then foodstuffs (16 percent), electricity (14 percent), then paper and printing (6 percent), lumber and related products (3 percent), and other manufactures (6 percent).

In order to encourage the private sector to enter this field, the state has undertaken a number of activities that act as incentives to investors to enter the world of industry. These activities include the state's construction of several industrial cities equipped with the various necessary means to establish factories in them. A piece of land in these cities is given to initiators of authorized industrial projects at a moderate rent. In addition, great facilitations are offered in the area of services, including electricity, water, and fuel. As for customs exemptions, all goods that are factors of industrial production in the Kingdom are exempt from customs duties. Every Saudi company, whether it be manufacturing or not, is completely exempt from all taxes. However, they are subject to the zakat, which is a "small Islamic tax calculated on the basis of 2.5 percent of liquid stock."

In the area of loans, the Saudi Industrial Development Fund offers loans to industrial establishments of up to 50 percent of the total costs of the project. These are repaid over a period of 5 or 10 years, beginning after a period ranging from 1 to 1 and 1/2 years from the beginning of production. The Fund does not receive any profit from these loans, except for administrative costs that are about 2.5 percent of each loan.

In order to encourage national industry, the state gives preference to national products over similar foreign ones, when the contract to insure their sale is made. In addition, there are protective customs measures for which a number of rules have been made, including that the national production be sufficient to cover the majority of the needs of the local market and that it be of an appropriate level of quality. Likewise, the industry whose protection is requested must be of importance to the national economy.

Al-Jubayl and Yanbu'

When discussing industry and industrialization in the Kingdom of Saudi Arabia, the discussion must touch on the two industrial cities in al-Jubayl and Yanbu', where the giant industries of the Kingdom have been established.

The planning for the choice of the kinds of new industries that have been established at al-Jubayl and Yanbu' was completed with great care and aimed at making use of the principal mineral resources of the Kingdom to provide the necessary raw materials to fulfill the needs of local industry and the export needs. These industries range from light to heavy and from those that are capital-intensive to those that are labor-intensive. The industries in the two cities are divided into three principal categories: primary industries, secondary industries, and support industries.

The establishment of primary industries that have been created primarily for export purposes by joint-liability companies that have been formed between the government of the Kingdom of Saudi Arabia and well-known international companies has been completed.

The secondary industries are those that increase the value of the products of the primary industries or provide other important kinds of goods and services. Likewise, they provide the principal lebensraum for the investments of the private sector in the Kingdom.

Except for the iron and steel factory in al-Jubayl, the primary industries currently located in the two cities of al-Jubayl and Yanbu' depend for the most part on hydrocarbon substances and include oil refineries, the manufacture of lubricants, gas extraction plants, and petrochemical and fertilizer plants. There are two governmental agencies that have responsibility for developing basic industries projects in both al-Jubayl and Yanbu'. They are the General Agency for Petroleum and Metals (Petromin), which is forming joint-liability companies of several nationalities to construct oil refineries and facilities for storing loose substances, and the Saudi Arabian Basic Industries Corporation, SABIC, which is operating in the same way to create other types of factories.

If we take the basic industries in the al-Jubayl project, we find that the industrialization plan there includes 20 basic industries:

--Three oil refineries

--Six petrochemical factories

--Two fertilizer factories

--Two methanol factories

--An iron factory

--A factory for industrial gases

Most of the products of these industries are for export, either directly or after processing in secondary industries. What is consumed in local markets ranges between 10 and 15 percent of the total production of these industries.

The basic industries area in Yanbu' is the basis for the transformation of the area into an international center for the export of crude oil, petroleum and liquid petrochemical products, and primary materials.

The development plan of the Kingdom of Saudi Arabia called for the establishment of five projects for basic industries in Yanbu'. They are a station for the export of crude oil, a refinery for local consumption, another for export, a complex for natural gas extraction, and another for petrochemicals. These industries have begun the operation phase. There are six other basic industries still in the preliminary stages of design.

Perhaps the projects that must be noted in the industrial city of Yanbu' and that are a clear indication of the path of industrial growth in the Kingdom of Saudi Arabia are the Saudi Yanbu' Company of Petrochemicals, YANPAT, which is an enormous petroleum complex that was designed on an international level to produce ethylene, which is considered the most important substance on which the petrochemical industry is focussed and which is treated chemically to produce other by-products.

The Kingdom has been able to exploit its primary resources, the foremost of which is oil, in establishing giant industries. It has begun to seek markets abroad to market these products and, in marketing them, it has encountered obstacles and difficulties that the West, which traditionally dominates these markets and which does not wish to abandon this domination, has erected. Saudi officials believe that "the confrontation of these problems and obstacles must not be with appeals and begging; rather effective and decisive measures must be taken through collective and united Arab action, meaning that when the West places obstacles before Arab industries in general, we must also place obstacles before its goods and treat them the same way.

13292

CSO: 4404/224

FORMATION OF NEW DEMOCRATIC FRONT ANNOUNCED

Dhaka HOLIDAY in English 16 Jan 87 p 3

[Text]

A number of political, trade union, cultural, student organizations and intellectuals have unitedly announced the formation of a new alliance named Gonotantik Biplobi Jote (Democratic Revolutionary Alliance) with a view to mobilizing public opinion for pressing the realization of the demands for the restoration of the basic fundamental rights of the people.

The formation of the alliance was formally announced last Sunday in a press conference at the National Press Club.

Among others, Samyabadi Dal, People's League, Bangladesh Lekhok Shibir (writer's association), Krishak Federation (peasant's federation), Bangladesh Trade Union Federation, Mazdoor Party, Gono Sangskriti Parishad Bangladesh Student's federation, National Workers' Federation, Trade Union Sangha, Jatiyo Sramik Andolon (national labor movement), Chaashi Mukti Samity (farmer's freedom association), Bangladesh Chaashi Samity, Bangladesh Chhatra League, Samyabadi Tadanta Andolon and Sat Chalachhita Front (honest cine-front) have announced their joining the alliance.

Led by Badruddin Umar,

the alliance has announced a 14-point declaration and a 20-point program.

In the declaration the alliance said that even after achieving an independent territory in 1971 the people of the country did not see any fundamental political and social change in society. It said that since the fall of the Awami League government in 1975, the country was being ruled under direct or indirect martial law where the people's fundamental rights were suppressed.

It said that the traditional political forces, like the 8-party alliance, 7-party combine, Jamaat-e-Islami and others, could not play any vital role because only an issue-based movement against martial law rule can never be successful.

Only a joint democratic movement with unanimous unity of all the democratic forces can set up a program-based movement to fight the existing situation, it added.

The newly-formed alliance in its program has decided to organize a broad-based movement to boycott the system of parliamentary election and to organize itself against the military and quasi-military rule.

The program also advocated for cancelling all the unequal treaties with other

countries, for ensuring education and employment for each and every person, for ensuring the minimum required wages to all the neglected classes, for ensuring adequate medicare, housing and recreation facilities for the people and for the establishment of the trade union rights of the workers, among others.

Badraddin Umar in the press conference urged all the democratic forces to join the forum for fighting their common enemies unitedly.

The Democratic Revolutionary Alliance will organize a central worker's council at Central Shaheed Minar and a public rally the same evening at the same venue, he said.

In the press conference Badruddin Umar also said that the American expansionist group had already taken over the control of all the socio-economic aspects of the country and all the social, economic, cultural, political and development programs of all the governments during the last decade had been chalked out and were being implemented with the pressures of those groups which were the real

obstacles on the path of all developments.

He added that some local affluent groups were acting as the agents of those expansionist groups and they were controlling everything via institutions, like the World Bank, International Monetary Fund and others.

He underscored the need of uniting all the social-democratic forces and to streamline the movement of the downtrodden class which he said was the only solution to the problems.

He iterated that unity does not mean the unity of the socialists or the left-oriented forces but meant the unity of those who want to remove all the social controversies on the basis of a minimum program so that everyone can take part in the reformation efforts of a group comprising people from all tiers of the society.

He said that different political parties in the country had their different objectives and ideologies. But in spite of such differences, there are ways in which everybody can take part in a united movement under a common banner.

THIRD 5-YEAR PLAN IN TROUBLE, FACES REVISION

Dhaka HOLIDAY in English 26 Dec 86 pp 1, 8

[Article by Quamrul Islam Choudhury]

[Text]

Against the backdrop of Bangladesh's resource constraints, balance of payment crunch, stagnation, inflation, slowing foreign aid inflow and a debt trap, the 386 billion taka current Third Five-Year Plan (FY '86-FY '90) in the middle of its second year has run into troubles.

In the light of the sluggish performance both on the domestic and external economic fronts during the first year and a half the Planning Commission is now actively considering a revision of the TFYP GDP growth rate of 5.4% a year which is based on a sophisticated "data hungry" economic model.

Earlier, the First Five-Year Plan (FY '74-FY '78) envisaged a growth rate of 7.4% a year but after a revision the actual growth rate was 6.1%. The Second Five-Year Plan (FY '81-FY '85) growth rate was reduced from the planned 7.2% to 5.4% after a mid-plan review, but actual achievement was only 3.8%.

Now a common realization prevails among the planners that in the very first year of the TFYP almost all the aggregate

and sectoral growth targets were not achieved, unexpected price increases had occurred and the balance of trade had deviated from its projected level.

The planners of the TFYP model in a national seminar on applied general economic model for the TFYP of Bangladesh held at the Planning Commission Dec. 21-22, 1986 felt that information on deviations of the economy from the planned path and quantitative estimates coupled with qualitative assessment of the situation would provide policies needed to be pursued during the remaining plan period for achievement of the targets.

They urged the policymakers to more closely follow the pulse of the national economy with a leadership commitment.

The success of a plan depends on its implementation. Economists observed that the technical frameworks of the FFYP as well as the SFYP were good but there were gaps in implementation between the agencies and the formulation of programs or projects. The implementation problem is yet to be improved.

ved even in the second year of the TFYP.

They observed that the projects included in the Annual Development Programs were not based on the TFYP model nor consistent with the basis of allocation.

Officials claimed a 4.9% growth of GDP in the first fiscal year of the TFYP as reasonably satisfactory though in the original ADP for FY '86 GDP growth rate was estimated at 5.5%.

The growing unemployment, severe under-utilized capacity in the organized sectors, price upswing factors during the closing part of FY '86 and the first quarter of FY '87, investment shortfall in the now-vital private sector and, above all, further acceleration of the pauperization process are hard economic facts in Bangladesh.

For the broad section of the people, the fact that the number of people living below the poverty line has been increasing, despite official claims about the pro-people orientation of the economic policies, have been matters of great concern.

There is a general recognition within the country

that the traditional employment generating and income-augmenting development strategy has not succeeded in reversing or even arresting the process of pauperization.

The Planning Minister nor the Finance Minister in their speeches has given any positive indication as to how the administration would really like to process in concrete operational terms its much-trumpeted poverty alleviation program within the given structural rigidities and fetters on the growth of productive potentials of the economy to make an effective dent in the labyrinth of poverty.

The planners were critical of the functioning of the Bangladesh economy. The pressure of donors' interest distorts our priorities; we go for projects for which loans are arranged by the supplier of the machines. The project feasibility is often made by the supplier.

The planners' collective experience is that the plan process is marginally associated with ways in which resources are actually allocated. Nobody takes plans seriously and the Planning Commission did not have even 10% freedom, the economists remarked.

/9274

CSO: 4600/1368

PAPERS REPORT CONFERENCE OF JAMAAT-E-ISLAMI

Acting Amir Speaks

Dhaka THE BANGLADESH OBSERVER in English 26 Dec 86 pp 1, 12

[Text]

The four-day 'rokon' (members) conference of Jamaat-e-Islami Bangladesh was inaugurated at Tongi on Thursday with a call to forge unity of all political parties and alliances to restore democracy in the country. About 2000 'rokon' including 73 women are attending the grand conference at the premises of Jamiya Islamia in front of Erahad Nagar in Tongi.

The Acting Amir of Jamaat-e-Islami Mr. Abbas Ali Khan inaugurated the conference. The leaders of different political parties attended the inaugural function.

In his inaugural speech Mr. Abbas Ali Khan said that although Martial Law was withdrawn real democracy had not yet been established in the country. He held that since major political parties did not

take part in Presidential election the present Government should resign. He suggested that the opposition should concentrate on one point—resignation of the present Government. He further urged the opposition parties to be careful about Government trick to divide them by playing one against the other.

Mr. Khan expressed his concern over the deteriorating situation in the campus. He called upon the Jamaat workers to intensify the movement for establishing democracy in the country to facilitate the Jamaat's movement for reaching people with the invitation to join the movement for building a nation-based Islamic principles and values. He said the moral education should be strengthened to build up strong and honest leadership at all levels.

Concern Over Economy, Terrorism

Dhaka THE NEW NATION in English 28 Dec 86 pp 1, 8

[Text]

Jamaat-e-Islami has expressed its concern over worsening of economic condition, deterioration of law and order situation in the country. It also called for Soviet withdrawal from Afghanistan and end to Iran-Iraq war.

A resolution at the third day session of the four-day central 'rukn' conference of the party said that introduction of Islamic economic system was

the only way to overcome the present economic crisis in the country.

Expressing concern at the law and order situation in the country, the party said that terrorism, looting, bombing, hijacking, killing and other crimes had become a daily phenomenon in the country. It urged the concerned authorities to take necessary steps to improve the law and order situation.

Criticising Soviet presence in Afghanistan the conference called upon all countries of the world to sever relations with the Soviet Union. It also demanded immediate Soviet withdrawal.

The conferees said, Iran-Iraq war which began with the Iraqi attack on Iran has left heavy loss of life and property. It condemned Iraq in particular for using chemical weapons in the war and both the countries in general for bombing civilian areas.

It called for immediate end to the war.

More on Resolutions

Dhaka THE BANGLADESH OBSERVER in English 29 Dec 86 pp 1, 6

[Text]

Mr. Abbas Ali Khan, Acting Amir of Jamaat-e-Islami Bangladesh called upon all to work for establishment of Islamic rule in the country. He was addressing the concluding session of the four-day rokan (member) conference of the party on Sunday noon at Tongi. The Jamaat leader also called upon all to participate in the movement for establishment of the democratic right of franchise. Mr Khan presided over the conference.

The conference in a resolution demanded exemption of the agricultural credit to introduce interest-free agricultural loan system, to reduce the financial burden now faced by the farmers. The conference criticised the present policy of the government

about agriculture the backbone of economy.

The conference also demanded of the government to raise the Ganges water sharing issue in the international forum and to take effective measures to include Nepal to construct reservoiring there. The resolution further demanded salary and wages to the workers commensurate with the price of commodities. The conference expressed concern over oppression of the women and criticised presentation of women in functions to receive dignitaries. The resolution also expressed grave concern over the situation in educational institutions and observed that the government was trying to utilise the educational institutions to perpetuate power. About proposed ban on students politics the conference held the view that voice of the conscious students cannot be gagged.

/9274

CSO: 4600/1369

PAPERS REPORT TALKS ON BANGLA-SOVIET TRADE PROTOCOL

Improvement Needed

Dhaka HOLIDAY in English 16 Jan 87 p 8

[Text]

Bangladesh's trade surplus with the Soviet Union has become a major cause of concern for the government as there is no sign of immediate improvement in the situation. It has been trying for a long period to reduce the considerable amount of trade surplus generated owing to the poor import of commodities from the Soviet Union due to various difficulties including the lack of standardization and competitive prices of the Soviet commodities, according to official sources.

Bangladesh has sustained a cumulative trade imbalance of about 3 million

pound sterling so far from Fiscal 1980 to Fiscal 1986 under barter arrangements. At present trade protocol XV is in operation since 31st March last year.

The signing of this protocol was delayed for some time due to diplomatic setback with the Soviet Union. Earlier Bangladesh's trade surplus with USSR had risen to 4 million pound sterling. The amount could not be reduced substantially despite Bangladesh's efforts.

Under different barter protocols, Bangladesh has exported commodities worth over 731.50 crore takas so far and has imported very little leaving a huge trade

surplus. Excessive freight charges of the Soviet commodities have also been standing on the way to expanding import trade from the Soviet Union.

Against this backdrop, Bangladesh and the Soviet Union started a five-day trade consultation from last Tuesday. An official level Soviet trade delegation arrived in Dhaka last Monday to find ways and means to reduce the outstanding trade imbalance between the two countries.

Both the sides might sign a new trade protocol—number XVI—after the conclusion of the bilateral talks.

Protocol Signed

Dhaka THE BANGLADESH OBSERVER in English 19 Jan 87 pp 1, 12

[Text]

Bangladesh and the Soviet Union signed in Dhaka on Sunday a 47-million pound sterling barter protocol between the two countries for the current year, reports BSS.

Commerce Secretary A.B.M. Ghulam Mostafa and Soviet Ambassador to Bangladesh V.G.

Beliaev, signed the protocol on behalf of their respective government.

The principal items to be exported from Bangladesh are jute, cloth, jute bags, raw jute, goat skin, crust and finished leather, tea and readymade garments.

The stipulated increase in the

volume of export of jute goods, raw jute and readymade garments under the new protocol over the last one will be 40 per cent, 38 per cent and 150 per cent respectively.

Bangladesh will import diesel oil, cotton, zinc ingot, steel rolls, cement, tractors, trailers, machinery and spares from the USSR under the protocol.

The first barter protocol between Bangladesh and the Soviet Union was signed in 1972 and the present one is the 16th of this kind.

Official sources said the annual volume of trade between the two countries was "ever increasing". The current protocol provided for substantial increase of Bangladesh export to the USSR, the sources said.

The trade delegation from the USSR arrived in Dhaka on January 12 and held negotiations with officials of the Ministry of Commerce.

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CSO. 4600/1378

INDIAN EXTERNAL AFFAIRS MINISTER VISITS DHAKA

Talks With Ershad, Foreign Minister

Dhaka THE BANGLADESH OBSERVER in English 8 Jan 87 p 1

[Text]

The visiting Indian External Affairs Minister Mr. Narayan Datt Tiwari called on President Hussain Muhammad Ershad at President's Secretariat in Dhaka on Wednesday, reports BSS.

During the meeting, Mr. Tiwari discussed with the President the question of handing over the Tin Bigha corridor to Bangladesh. He also apprised the President of the steps the Government of India is taking toward early handing over of the corridor as envisaged in the agreement signed between Bangladesh and India.

The Indian External Affairs Minister, who came to Dhaka on Tuesday also discussed with the President the question of sharing of Ganges water and its augmentation in cooperation with Nepal.

Cooperation between the two countries for maintenance of peace on common borders also came up at the discussion.

Presidential spokesman told BSS that President Ershad was also informed of the progress on exchange of data on South Talpatty island.

In this context, Mr. Tiwari apprised the President of the progress made by both sides for demarcation of the maritime boundary between the two countries on the basis of equality and good neighbourliness.

Mr. Tiwari conveyed New Year's greetings to President Ershad from Indian Prime Minister Rajiv Gandhi who also enquired about the health of the President following a corrective nasal operation.

Foreign Minister Humayun Rasheed Chowdhury, Indian Secretary for Water Resources R.R. Iyer, and Indian High Commissioner to Bangladesh I.S. Chadha were present.

Another report adds: Bangladesh and India on Wednesday held talks covering the "entire gamut" of bilateral relation.

Foreign Minister Humayun Rasheed Chowdhury led the Bangladesh side while Indian External Affairs Minister Narayan Datt Tiwari headed his country's delegation.

Bangladesh delegation included Irrigation and Water Resources Minister Anisul Islam Mahmud.

The talks at the Foreign Ministry lasted one hour and a half and it is learnt that all issues of common interest came up for discussions.

Indian External Affairs Minister arrived in Dhaka on a three-day visit essentially to discuss matters related to South Asian Association for Regional Cooperation. It is Mr. Tiwari's first visit to this country.

It is learnt that two sides reviewed the SAARC activities and discussed ways and means to further consolidate the regional cooperation. Bilateral issues like the sharing of the Ganges water, the tribal issue and Tin Bigha issue came up for discussion.

The Indian Minister also met Deputy Prime Minister in charge of Home Ministry Professor M.A. Matin and Irrigation and Water Resources Minister Mr. Anisul Islam Mahmud.

The Indian Minister leaves Dhaka today (Thursday) at the end of his visit. It is expected that two ministers will throw light on the details of their meeting today (Thursday).

Joint Press Conference

Dhaka THE BANGLADESH OBSERVER in English 9 Jan 87 p 1

[Text] Bangladesh and India have agreed to cooperate with each other to control the insurgent activities of Chakma tribals in Chittagong Hill Tracts.

Disclosing this to newsmen at a joint Press conference at Zia International Airport on Thursday, the Indian Foreign Minister, Mr. Narayan Datt Tiwari, and his Bangladesh counterpart, Mr. Humayun Rasheed Chowdhury, said that the two countries wanted an end to the insurgency by Chakma tribals in Chittagong Hill Tracts. The two Ministers met the Press before the departure of Mr. Tiwari at the end of his three-day visit to Bangladesh.

Replaying to a question the Indian Foreign Minister denied that the Chakma insurgents had any training camp inside the Indian border. When a correspondent asked him whether the training camps inside the Indian territory would be dismantled, Mr. Tiwari jokingly told the correspondent "you are very clever to take a reply from me on camps which do not at all exist".

Mr. Humayun Rasheed Chowdhury who was sitting beside Mr. Tiwari said that the result of the commitment for cooperation would be reflected by actual end of insurgency. He also asserted that the

root of insurgency should also be finished and "we have been assured by India about this".

The two Ministers informed that the repatriation of over 24,000 Chakma refugees whose antecedents and particulars had already been verified would begin on January 15 through three border posts.

The Indian Foreign Minister termed his first visit to Bangladesh as "very fruitful" and said "I am going satisfied with talks with the leaders of Bangladesh." He added that though his visit was basically a goodwill one, he utilized the occasion to have discussions on matters relating to SAARC and all important issues including the question of river waters, Tin Bigha, boundary demarcation, Chakma refugees, the question of insurgency, vested property and economic cooperation.

He said that the two sides reaffirmed their determination to strengthen bilateral cooperation. He disclosed that the direct dialling/telephone service between India and Bangladesh would be introduced from March 26, the National Day of Bangladesh. At this point, Mr. Humayun Rasheed Chowdhury added that the dialling system would be inaugurated through a call by Prime Minister Rajiv Gandhi to President Ershad.

On Tin Bigha issue, Mr. Tiwari said that he had apprised Bangladesh of the steps India were taking pursuant to judgement of Calcutta High Court. He expressed his optimism about resolving this issue soon.

The Indian Minister said that the question of a long term solution of the river waters was discussed by the

two sides. On the river waters issue the two sides took stock of the present position of the work of the Joint Committee of Experts and noted that Nepal's response to the JCE's request for data and information was still awaited, he added. He further informed that the two sides agreed for extension of the Teesta water agreement.

The two sides agreed that the Indo-Bangladesh Joint Economic Commission will meet in New Delhi either in April or May. The meeting will review the progress of economic cooperation between the two countries.

Mr. Tiwari informed that a Bangladesh delegation will visit India by the end of this month to discuss the extension of the protocol on inland water transit.

In reply to a question, the Indian Minister said that the question of the sharing of the Ganges water was matter of constant talks between the two sides. He said that according to agreement 4035 kilometer of land border between the two countries had already been demarcated and another 125 kilometer would be demarcated soon.

Reiterating India's commitment to cooperate with the SAARC Secretariat Mr. Tiwari welcomed the appointment of Mr. Abul Ahsan as the first Secretary-General of the SAARC.

Referring to his talks with Bangladesh leaders, the Indian Foreign Minister hoped that his first visit would further strengthen political and economic relations between Bangladesh and India.

Mr. Tiwari left for Bangkok to visit Vietnam.

Problems With India

Dhaka HOLIDAY in English 16 Jan 87 p 6

[Article by Special Correspondent and Ahmed Fazl]

[Text]

Billed as a goodwill visit with the avowed intention of promoting the cause of Saarc Indian External Affairs Minister N.D. Tiwari had other obligations to fulfil during his three day stay in Dhaka.

He had come to heal the rupture in the Indo-Bangladesh relations resulting from

the non-fulfilment of promises made by New Delhi with regard to resolving various bilateral problems.

He had also come with a fresh proposal for allowing India a railway corridor through Bangladesh to link Assam with West Bengal.

Bangladesh made no effort to conceal its displeasure at the dragging of feet

by India on various crucial issues.

This was quite evident from the reactions of the government controlled media in Bangladesh. Bangladesh Television ran a visual report on the construction of a road along the Indo-Bangladesh border with the active support of the border security force personnel. The road is coming up despite the protest of the Bangladesh government.

Tiwari's visit coincided with the presence in Dhaka of the chief of People's Liberation Army of China and Prince Karim Agha Khan, head of Shia Ismailia community.

The productive outcome of Mr. Tiwari's visit to Dhaka was a verbal understanding between the two countries regarding tribal insurgency. Dhaka and New Delhi have agreed not to provide sanctuaries to tribal insurgents.

A similar agreement was arrived at between the military leaders of the two countries who met at a place near Chittagong recently.

Bangladesh has not made any positive commitment to the Indian proposal of a railway corridor. Consent by Bangladesh could lead to an explosive political situation. India now wants to trade the handing over of Tin Bigha corridor with a passage to Assam through Bangladesh.

The memorandum of understanding on the sharing of the Teesta water was extended up to December 1987 but no progress was made on the Ganges issue.

There has been no word either from New Delhi or Dhaka on the outcome of the tripartite talks held in Kathmandu on augmenting the flow of the Ganges water with Nepal joining hands with India and Bangladesh.

Mr. Tiwari made vague references to the handing over of Tin Bigha corridor to Bangladesh although Prime Minister Gandhi is on record as saying the matter would be expedited. He had made this commitment before the presidential election in Bangladesh.

So long New Delhi had delayed the handing over by stating that the issue was lying before the Calcutta High Court for adjudication. The Calcutta High Court has disposed of the case but the Indian government has not acted upon the verdict of the court.

The plight of the people of three enclaves with no link to the mainland is well known. There has been no effort at easing the problem by the government of India. The Indian government even has often obstructed the movement of Bangladesh government officials.

The state of Indo-Bangladesh relations is not as it should be. Bangladesh has made friendly overtures to maintain healthy neighborly relations but the Indian response has always been wanting in warmth.

The change of wind that was markedly visible after Rajiv Gandhi took over from his slain mother is again in the process of being reversed. India's relations with its immediate neighbors have aggravated in recent times.

Domestic problems may have been a compulsion for a swift shift in New Delhi's attitude to its neighbors.

There were no flowering of hope for an end to the nagging disputes between Bangladesh and India as the Indian External Affairs Minister Narayan Datt Tiwari arrived in Dhaka for talks with Bangladesh leaders. It was therefore no surprise that he left for Bangkok on way to Vietnam with the issues still simmering.

In an arrival statement, Mr Tiwari, appointed the head of the Indian foreign ministry last October in a major cabinet reshuffle, said that he had come to Dhaka in the Saarc (South Asian Association for Regional Cooperation) spirit setting the tone of the discussions with officials here.

While Bangladesh had been keen on achieving progress on vital bilateral issues like the sharing of the dry season flow of the River Ganges, the handing of the Tin Bigha land corridor, the delimitation of the maritime boundary, including sovereignty of South Talpatty and the halting of cross border insurgency, the Indian side was more interested in the general issues of regional cooperation.

The critical questions on the Ganges which have been eluding a solution for more than three decades remained where they were before. Only that the Joint Rivers Commission—an equally represented body of experts and officials of the two countries—would be meeting sometime in the first half of the new year to discuss the common rivers issue.

On other bilateral problems Mr. Tiwari was willing only to give hopes for an early resolution. In fact, issues like Tin Bigha, South Talpatty and violence along the common eastern border were put back into the cupboard.

Mr. Tiwari in Dhaka had formal talks with Foreign Minister Humayun Choudhury lasting for more than 90 minutes. He called on President Ershad and met with Deputy Prime Minister M.A. Matin and Irrigation Minister Anisul

Islam Mahmud.

Officials indicated that in all these meetings Bangladesh stressed the urgency of the issues and their impact on bilateral ties.

The results of these talks include an understanding between the two countries on helping each other in combating cross-border terrorism. The Indian side continued to deny allegations from Bangladesh that Chakma tribal insurgents belonging to the outlawed Shanti Bahini came from "sanctuaries" in the eastern Indian state of Tripura.

"There are no such sanctuaries in Tripura and elsewhere," Mr Tiwari emphatically declared at a news conference before enplaning for Bangkok.

Bangladesh has also agreed to take back 24,000 Chakma refugees who have been housed in Tripura border camps.

Indian officials claimed that 29,000 tribal refugees went across the border after repeated attacks by the rebel tribesmen on Bengali settlements in Chittagong Hill Tracts.

A decision was taken to introduce direct dialling between the capitals of the two countries from January 26 with President Ershad receiving the first telephone call on the new line from Prime Minister Rajiv Gandhi.

Officials also said that the question of construction of a ring road by India along the border was not raised by the Bangladesh side at the talks.

The Tiwari visit and the talks during the last three days were virtually a replay of earlier bilateral meets as far as the Ganges and the border issues are concerned.

REPORTAGE ON VISIT OF PRC CHIEF OF GENERAL STAFF

Arrival 7 January

Dhaka THE BANGLADESH OBSERVER in English 8 Jan 87 p 1

[Text]

Mr. Yang De-Zhi, Chief of General Staff, Chinese People's Liberation Army arrived in Dhaka on Wednesday on a five-day goodwill visit to Bangladesh, reports BSS.

Mr. Yang De-Zhi was accompanied by Madam Shen Ge-Jun and a 10 member delegation including Deputy Chief of General staff, Chinese People's Liberation army Mr. Xu Xin, an ISPR Press release said.

Mr. Yang and members of his delegation were received at the Zia International Airport by Chief of Army Staff Lt. General Muhammad Atiqur Rahman, Chief of Naval Staff Rear Admiral Sultan Ahmed, Chief of Air Staff Air Vice-Marshal Sultan Mahmud and other senior officers from the Ministry of Defence, the C-in-C secretariat and the services headquarters.

The Chinese Ambassador to Bangladesh Mr. Zheng Jianying was also present at the airport to welcome the distinguished guests.

The leader of the delegation later called on Chief of Army Staff Lt. General Muhammad Atiqur Rahman at the army headquarters and discussed matters of mutual interests.

Earlier, soon after his arrival, Mr. Yang proceeded to Dhaka Cantonment where he was presented with a guard of honour by smart contingents of Army, Navy and Air Force.

He then went to the Shikha Anirban (the eternal flame) and placed floral wreath in memory of the members of the Armed Forces who had laid down their lives in the War of Liberation in 1971.

Meeting With Ershad

Dhaka THE NEW NATION in English 9 Jan 87 pp 1, 8

[Text]

The visiting Chief of General Staff of Chinese People's Liberation Army Mr. Yang De-zhi called on President Ershad at the Supreme Commander's office yesterday morning, reports BSS.

Chief of Army Staff Lt. General M. Atique Rahman, Defence Secretary Kazi Jalal-uddin Ahmed, Chinese Ambas-

sador to Bangladesh Zheng Jianying and Principal Staff Officer to the Supreme Commander Major General Sadequr Rahman Chowdhury were present.

Mr. Yang De-Zhi later went to the Jatlaya Smriti Soudha (antional memorial) at Savar and placed wreaths in memory of the martyrs of the war of liberation in 1971.

Accompanied by Chief of Army Staff and Begum Atique, Mr. Yang De-Zhi and Madam Shen Ge-Jun later witnessed a military demonstration at the exercise area of the local army division near Savar.

The PLA chief was received by the local area commander Major General M. Nooruddin Khan at the Smiti Soudha.

Mr. Yang De-Zhi and members of his delegation attended a dinner hosted by Chief of Army Staff Lt. General Muhammad Atiqur Rahman at the AHQ officers' mess last night.

Speaking on the occasion Mr. Yang De-Zhi said that the relations of friendly cooperation between China and Bangladesh as well as the two armed forces have been developing satisfactorily since the establishment of diplomatic relations between the two countries.

Mr. Yang expressed his

satisfaction over the development made by Bangladesh armed forces during the recent years and said that they have also made great contributions to the political stability and economic development of the country.

In his address of welcome, Chief of Army Staff Lt. General Muhammad Atiqur Rahman said the foundation of good relations established between the governments, peoples, armed forces and above all the highest political leaders of our two countries will further be strengthened in future.

Meanwhile Madam Shen Ge-Jun, wife of the visiting Chinese chief of general staff, witnessed a lively cultural show at the Shishu Academy here yesterday.

Madam Shen Ge-Jun in her address to the children of the Academy said, that she was very happy to be with them and hoped they would continue to add fragrance to the glory of their country.

Welcoming the Chinese guest, Begum Sadeka Shafiqullah, Director, Bangladesh Shishu Academy, said that the Academy was very grateful to the people of China for their generous help in the form of instruments and books.

Ershad Hosts Dinner

Dhaka THE BANGLADESH OBSERVER in English 11 Jan 87 p 12

President Hussain Muhammad Ershad said in Dhaka on Saturday night that Bangladesh and China are two friendly countries and close neighbours whose cordial relations stemmed from time immemorial, reports BSS.

The President was speaking at the dinner hosted by him in honour of the Chief of General Staff of the Chinese People's Liberation Army Mr. Yang De-Zhi and members of his delegation at Bangladesh. He said the bond of deep brotherly relations between the two countries forged with the visit of Bangladesh by Chinese travellers Huen-Sang and Fa Hien and to China by the great Buddhist religious scholar Atish Dipankar has through ages remained intact.

President Ershad, who is also the

Supreme Commander, said the recent increasing economic, social and cultural cooperation between Bangladesh and China is the result of that bond.

The President said recent setting up of the Sundarbans Textile Mills and the launching of the construction work of the China-Bangladesh Friendship Bridge over the river Buriganga through active cooperation of China and taking up of the construction of a school in China at the Bangladesh initiative are the testimony of deep-rooted friendship between the two countries.

In his speech, the Chief of General Staff of the People's Liberation Army of China Mr. Yang De-Zhi thanked President Ershad, the Government of Bangladesh and the people for warm hospitality accorded to him and members of his delegation.

Visits to Bases

Dhaka THE BANGLADESH OBSERVER in English 11 Jan 87 p 12

[Text]

CHITTAGONG, Jan. 10:— The visiting Chinese People's Liberation Army Chief of General Staff Mr. Yang De-Zhi visited the BNS Issa Khan naval base and the BAF Base Zohurul Hoque here today, says an ISPR press release.

On their arrival at the Chittagong Airport, Mr. Yang De-Zhi and the members of the delegation were received by the Chief of the Air Staff Air Vice Marshal Sultan Mahmud and other high military officers. A smart contingent of Bangladesh Air-Force presented a guard of honour.

The Chief of Army Staff Lt. General Muhammad Atiqur Rahman, Chinese Ambassador to Bangladesh Mr. Zheng Jianying and the

Chief of General Staff Bangladesh Army Major General Abdul Wahed accompanied the distinguished guests.

The visiting delegation then drove to the local Air-Force base and visited a Squadron there.

Later, they went to the local naval base BNS Issa Khan where they were received by Chief of Naval Staff Rear Admiral Sultan Ahmad. A smart contingent of Bangladesh Navy presented a guard of honour there.

The distinguished guests then boarded on BNS Ali Hyder and witnessed an impressive steam-past by contingent of BNS ship and crafts in the Karnafully river.

11 January Departure

Dhaka THE BANGLADESH OBSERVER in English 12 Jan 87 p 10

[Text]

Mr. Yang De-Zhi, Chief of General Staff, Chinese People's Liberation Army and members of his delegation left Dhaka on Sunday ending a five-day goodwill visit to Bangladesh, says an ISPR Press release, reports BSS.

Mr. Yang De-Zhi was accompanied by Madam Shen Ge-jun and a ten-member delegation including Deputy Chief of General Staff, Chinese People's Liberation Army.

Mr. Yang De-Zhi and members of his delegation were seen-off at the Zia International Airport by Chief of Army Staff Lt. General Muhammad Atiqur Rahman, Chief of Naval Staff Rear Admiral Sultan Ahmad, Chief of Air Staff Air Vice-Marshal Sultan Mahmud and senior officers of the Ministry of Defence, The Supreme Command

Headquarters and Services Headquarters.

The Chinese Ambassador to Bangladesh Mr. Zheng Jianying was also present.

Earlier, Chief of Army Staff and Begum Atique, Chief of Naval Staff and Begum Sultan Ahmad and the Chief of Air Staff and Begum Sultan Mahmud paid return calls on the Chinese People's Liberation Army Chief of General Staff at the state guest house "Padma" on Sunday morning.

During his visit in Dhaka Mr. Yang De-Zhi called on President Hussain Muhammad Ershad and Chiefs of Staff of the three services. He also laid wreath at Shikha Anirban at the Dhaka Cantonment and the Jatiya Smriti Soudha at Savar and visited places of interest in Dhaka and Chittagong.

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CSO: 4600/1376

AWAMI LEAGUE HOLDS FIRST COUNCIL SESSION SINCE 1981

Sheikh Hasina Opens Meeting

Dhaka THE BANGLADESH OBSERVER in English 2 Jan 87 pp 1, 8

[Text]

The three-day council session of Bangladesh Awami League began at the Institution of Engineers, Dhaka with a call by party Chief Sheikh Hasina for a united movement by the progressive democratic and the pro-liberation forces for restoration of the lost rights of the people. The pledge of the Awami League would be to carry forward the struggle for establishment of the people's rule bringing an end to "dictatorship," she said. A total of about 2,500 councillors and equal number of delegates are attending the session.

It may be recalled that the last council session of the party was held in February, 1981 which elected Sheikh Hasina, daughter of Bangabandhu Sheikh Mujibur Rahman as the compromise candidate. She was in exile in Delhi, when she was elected party chief.

The first meeting of the working committee was also held in Delhi in March, 1981. It may be mentioned that a sizeable faction of the party broke away and formed Bangladesh Krishak Sramik Awami League (BAKSAL) in the line with the one-party rule introduced by the Awami League Government in 1975. Some of the deserter leaders again returned to the fold of Awami League.

The date of holding council session was shifted thrice since 1985. In her 16-page printed speech Sheikh Hasina gave a comparative picture of achievements of Awami League government under the leadership of

Sheikh Mujibur Rahman and the prevailing deteriorating economic condition.

Dwelling at length on socio-economic condition of the country Sheikh Hasina said that the outcome of military rule during the last 11 years has been the absolute authority of autocratic rule. All democratic institutions have been destroyed, principles of rule of law negated and violation of basic human rights led to the concentration of powers in the hands of a handful of people. Democracy has taken the shape of Ayub's pattern in their hands, she said. She further said that the nation witnessed continuous political and economic instability and erosion of moral and social values during the last 11 years.

This vicious circle installed in power should be removed through a mass movement, she said. A permanent end to autocratic rule has to be brought through relentless struggle, she noted.

Criticising the Seventh Amendment of the Constitution, she said that it has been done to provide "legal coverage to all illegal activities of the period from March 24, 1982 to November 10, 1986. Ziaur Rahman's Fifth Amendment had indemnified all activities of his four-year rule and similarly President Ershad's Seventh Amendment also gave legal to cover all his activities under the Martial Law, she observed.

Earlier, Party Chief Sheikh Hasina and Acting General Secretary

Begum Sajeda Chowdhury hoisted national flag and party flag respectively to inaugurate the session. The session moved a resolution condoling the death of party leader Sheikh Mujibur Rahman, his family members and four central leaders killed inside the Dhaka central jail and party workers and supporters, martyrs of five-point movement and intellectuals and international dignitaries.

Though the council session moved a resolution condoling the death of former Indian Prime Minister Indira Gandhi but did not include the name of late President Ziaur Rahman and Justice Abdus Sattar.

Mr. M.A. Samad of Gano Azadi League, Mr. M. Farhad of CPB, Syed Ashraf Hossain of NAP (Muzaffer) Chowdhury Harunur Rashid of NAP (unified) addressed the inaugural function.

Diplomats attending the function include Ambassador of Algeria and representatives from Embassy of Saudi Arabia, Australia, Palestine Liberation Organisation (PLO) United States of America and Pakistan.

The British High Commissioner in Bangladesh sent a message and a representative from British Labour Party also attended the inaugural session. Acting General Secretary Begum Sajeda Chowdhury read out her 70-page printed report.

She demanded resignation of President Ershad and cancellation of membership of Jatiya Party MPS.

The inaugural session was followed by a cultural function.

2 Jan Meeting Reported

Dhaka THE BANGLADESH OBSERVER in English 3 Jan 87 pp 1, 8

[Text]

The subject committee on the second day of the Awami League Council session on Friday in a two and a half hours meeting finalised the proposed amendments to the party constitution and manifesto. The Committee also empowered Party President Sheikh Hasina to name members of the Presidium, General Secretary, other secretaries and members of the Central Working Committee.

However, it is learnt that all the existing members of the Presidium with the exception of Mrs. Zohara Tajuddin may be replaced by new face and a central advisory committee is likely to be formed with the present members of the Presidium. There may be surprise inclusions in the party Presidium, it is learnt.

People in small groups were found discussing possible names of General Secretary, and other Secretaries. Present Joint Secretary Anwar Hossain Amu despite resentment from some districts is likely to be elected as General Secretary. Lobbying in favour of Mr. Tofayel Ahmed was going on for the post. But the name of Mr. Zillur Rahman

MP is also being discussed as a compromise candidate. Mr. M.A. Jalil from Noagaon is likely to be one of the two Joint Secretaries. Though the other names could not be known. Mr. Tofayel Ahmed is likely to be given a lift to the post of Joint Secretary. In that case present Office Secretary Mohammad Nasim MP is likely to be elected Organising Secretary.

New faces like Mr. Mostafa Jalal Mohiuddin, Mr. Fazlur Rahman MP, Mr. Fazlul Huq are likely to find places in the Secretariat. Some of the party leaders who joined Bangladesh Krishak Sramik Awami League and later return to partyfold are also likely to be given offices. They are Mr. S.M. Yusuf, Mr. Shafiqul Aziz Mukul.

It is further learnt that the subject committee approved creation of new post of Secretaries. But the number will be decided by the party chief to meet her requirement for accommodation of persons. The reports from districts of Rajshahi and Khulna Divisions were placed on the second day on Friday. Reports from two other districts will be

heard today (Saturday). However, the council was adjourned from 3 p.m. till 5-30 p.m. for the subject committee meeting. The two sessions on Friday was followed by a cultural function.

The election of the Central Committee is likely to be held late Saturday night for which the councillors and delegate are waiting eagerly.

Meanwhile, it may also be mentioned that Party Chief Sheikh Hasina has also been authorised to choose office-bearers for the City unit of the party. Names of Mr. Mohammad Hanif and Mr. Mozaffar Hossain Paltu as President and Mr. Mofazzal Hossain Maya and Mr. Abul Kashem came up for the post of Secretary. Mr. Mozaffar Hossain Paltu and Mr. Mofazzal Hossain Maya are likely to be elected. In that case Mr. Hanif is likely to be taken in the Central Secretariat. It may be recalled that the council of the party's City unit was held on December 31 at the Institution of Engineers which was also addressed by the Party Chief.

More Details on 2 Jan Meeting

Dhaka THE NEW NATION in English 3 Jan 87 pp 1, 8

[Text]

District leaders of Awami League yesterday urged the party high command to choose its new leadership comprising those without the 'stigma of collaborating' with the government formed in the wake of the August 15, 1975 change-over.

They also called for building the organisation at grassroot level.

They were among 35 leaders of the party's district committees from Rajshahi and Khulna divisions who participated on the second day in the proceedings of the party council session, now being held at the Institution of Engineers in city.

Beginning at 10 a.m. the second-day session continued until 9 p.m.

Presidents and general secretaries of 35 district committees placed their reports on the day, in which some northern district leaders also cautioned the party leadership about the growth of the Communist Party of Bangladesh, (CPB) a party ally in the eight-party alliance.

Some of them were of the opinion that the CPB and its allies were building up their grassroot organisations, particularly in the northern districts.

A proposal for constructing a mausoleum in honour of late Sheikh Mujibur Rahman was also moved by a leader of the southern districts.

As the district leaders were placing their reports at the open

air session of the council, the party's working committee met in camera, discussing the formation of a subject committee to elect new leadership after a gap of five years since the last party council in 1981.

Certain amendments to the party constitution which, among others, proposed enlarging the size of the Awami League presidium and the Secretariat could not be moved on the day as scheduled.

Coming out of the council session at the premises of the Institution of Engineers, party President Sheikh Hasina told newsmen at 9-10 p.m. that those would be moved today.

She said that the amendments could not be moved ves-

terday because the district committees' report from all the four divisions could not be placed.

The council session resumes at 9 a.m. today.

It will also elect the new leadership of the party, particularly the general secretary, the

post which remained vacant since the split in the party in August 1983.

The then Awami League General Secretary Abdur Razzak and three other presidium members left the party to form Baksal.

Meeting Ends, New Officials

Dhaka THE NEW NATION in English 4 Jan 87 pp 1, 8

[Text]

The three-day council session of Bangladesh Awami League concluded last night re-electing Sheikh Hasina as party President and elevating acting General Secretary Begum Sajeda Choudhury to a full fledged office.

After a bitter wrangling, a frustrated presidium member Dr Kamal Hossain left the close-door venue of the council session at the Institution of Engineers in city with the remark "it cannot be accepted".

He left minutes before Sheikh Hasina rose to make the announcement of formation of the party's new Presidium and Secretariat at 10-30 p.m., leaving a grim faced Tofael Ahmed, a contender for the post of general secretary sitting on the rostrum. He received more cheers than Begum Sajeda Choudhury when his name was announced, as retaining his position as Organising Secretary of the party.

When presidium member Abdul Mannan was also missing when the 12-member new presidium was announced. He had retained his membership along with the party elders Abdul Malek Ukil, Abdus Samad Azad, Syeda Zohra Tajuddin in the presidium, which was created in 1981 to accommodate them after Sheikh Hasina was elected President.

The new presidium has five new faces. They are Prof Pulin Dey of Chittagong, a comrade of Master Da Surja Sen, who master minded the Chittagong armoury raid in 1930.

The other new entrants to the presidium, the membership of which has been raised from the previous strength of 10 are former party Joint-Secretary Salahuddin Yusuf school teacher union leader and parliament member Kamaruzzaman, former Commerce Minister, Matiur Rahman, Supreme Court lawyer

Sirajul Huq and Dr Alauddin of Chapai-Nawabganj.

Amir Hussain Amu, a strong contender for the office of General Secretary also retained his job as one of the two joint secretaries. Party's International Affairs Secretary and Parliament Member from Naogaon M.A. Jalil filled up Begum Sajeda Choudhury's vacant position of another joint-secretary.

Youth Affairs Secretary Mohammad Nasim MP, who also looked aggrieved was given the post of Publicity Secretary.

Other new entrants to the Secretariat are Fazlul Huq, Office Secretary, Begum Monnujan Sufian, Labour Secretary and Begum Motia Choudhury, Agricultural Affairs Secretary. She had joined Awami League in 1979 after deserting the NAP led by prof Muzaffar Ahmed.

The new faces also include Shamsur Rahman Shajahan, MP from Tangail, who substituted Kader Siddiky after the fugitive candidates nomination paper for parliamentary elections, scratched in a Tangail constituency. Parliament Member from Panchagarh Advocate Sirajul Islam was selected International affairs Secretary and Advocate Abu Saeed as Legal Affairs Secretary. Begum Ivy Rahman retained her job as Women's Affairs Secretary.

But the post of Treasurer and one more secretary along with the newly created positions of three assistant secretaries could not be announced.

Similarly the formation of the Dhaka city committee of the party remained unannounced as in-fighting had prevented it at its council on December 31. Earlier in the day after the leaders of Chittagong and Dhaka divisions had finished placing their district committee reports, the council session entrusted Sheikh Hasina to choose the

new leadership of the party as wranglings between Amir Hussain

Amu and Tofael Ahmed, who jockeyed for the job of General Secretary, made the choice difficult.

Similarly, Sheikh Hasina was also entrusted with the responsibility of announcing the formation of the city committee.

Shafiqul Aziz Mukul and Mofizul Islam Kamal retained their positions as Information and Research Secretary and Relief and Rehabilitation Affairs Secretary respectively.

The council session also enlarged the party's Working Committee from its strength of 54 to 59 and the district committees from 40 to 49.

Before announcing the names of new party officials, Sheikh Hasina urged the councillors to "forgive her if there had been any mistake" in forming the presidium and the Secretariat. She said that the Awami League had always remained like a close knit family, withstanding many onslaughts and suffering desertions during its difficult times in the recent past. But she noted the party remained rock solid gaining strength to march forward to achieve its cherished goal of translating the dreams of Sheikh Mujibur Rahman to build a Sonar Bangla into reality.

Sheikh Hasina, who took 17 minutes to announce the names of the party leaders and introducing them to the councillors, also exhorted the party rank and file to build anew the organisation at grassroot level, to gear up its movement.

She said that party's struggle to liberate the nation from the clutches of what she said, martial men' and achieving the rights of the people would continue.

She, however, failed to mention anything about the future programme of the party particularly about attending the winter session of Parliament, something which she also avoided in her written statement at the inaugural session of the council on Thursday.

Most of the councillors, numbering some 2500, endorsed the party decision to fight the May 7 polls. But they too avoided any remark about whether to continue the boycott of parliament as the party MPs had done during two sessions of the house.

Later, Sheikh Hasina came to the open air venue of the council session where curtain had to be dropped at the ongoing cultural function, as councillors and delegates, enjoying the show, rushed in to hear the announcement regarding the new leadership.

Sheikh Hasina distributed trophies among the organisers of best processions on the Victory Day and declared an end to the council session around 11-20 p.m.

RESOLUTION

The Awami League has vowed to establish a socialist economy as outlined by Bangabandhu Sheikh Mujibur Rahman.

This vow was spelt out in a resolution of the party relating to the economy of the country adopted at the concluding-day session of the party's council meeting.

The resolution contained 12 demands in keeping with the goal of the party for a socialist economy.

The demands included immediate end to the denationalisation programme of the government, nationalisation of banks, jute industry, jute trade and export of jute products, widening of scope for setting up of small and medium industries at the private sector alongside the public sector, official patronisation of the small and cottage industries, prohibition of all types of useless commodities, building of a self-reliant national economy free from dependence on foreign aid, intensive exploration of gas, oil, coal and mineral resources, elimination of corruption and measures against smuggling, lowering of essentials' prices,

abandoning of the top-heavy plans and projects, fair prices of cash crops including sugarcane and jute and of salt, continuation of subsidy in the agriculture sector, implementation of the multi-purpose co-operatives and arrest of the population boom.

In a resolution the council meeting demanded withdrawal of all cases against Kader Siddiqui and removal of barriers across the path of his homecoming.

In another resolution the Awami League demanded release of all political and student detainees belonging to the party and its front organisation and withdrawal of the cases and warrants of arrest against many of its leaders and workers.

A resolution on education demanded "revolutionary change in what it described as an anti-people education policy tailed, imperialist interests and the upper middle-class people and implementation of the Qudrat-e-Khuda education commission report for introduction of a pro-people scientific and non-communal universal education system.

Dissidents Organize

Dhaka THE NEW NATION in English 4 Jan 87 pp 1, 8

[Text]

Some dissident councillors of Awami League have formed a 51-member organising committee with Professor Iqbal Hossain as its convenor and decided to hold a special council meeting on February 13 in the city.

They held a separate meeting yesterday at 47, Dilkusha Commercial Area with Jalaluddin Ahmed in the chair in protest against what they termed as rehabilitation of collaborators in the killing of the Bangabandhu, opportunists, corrupts and new exploiters at all tiers of the party.

Awami League chief Sheikh Hasina, when asked to comment on them, said that she did not know them.

She accused the government of hatching a conspiracy to tarnish the image of the party by spending money.

Joining Sheikh Hasina

newly-elected General Secretary of the party Begum Sajeda Chowdhury said, "They are not councillors.

The dissident group of the councillors in a press release issued after the meeting expressed concern at the reluctance of the present leadership of the party to carry out a thorough going purge in it.

The press release was signed by Altaf Hossain, Office Secretary of Dhaka city Awami League on behalf of the dissident councillors.

It said that those who had paved the way for killing of the Bangabandhu by tarnishing his image with their misdeeds and creating anarchy and an artificial famine in the country had not been purged.

It further said that the present leadership of the party having bourgeois character had failed to properly evaluate the role of

those who had established the party afresh after killing of the Bangabandhu. Rather they have become victims of conspiracy as was Tajuddin Ahmed, it added.

The press release stated that this leadership had been pursuing a dual policy and had established personality cult by arrogating to themselves all organisational powers of the party.

It bitterly criticized the decision of the party on the parliamentary election and its subsequent activities.

Voicing a firm determination to change the character of the party and decentralize the leadership for establishment of a socialistic social structure the dissident group snapped connection with the present leadership.

The press release said that the genuine workers of the Bangabandhu who had been tested

in struggle would impart a revolutionary character to the organisation in the special council meeting to be held on February 13 under the leadership of the 51-member organising committee.

Jalaluddin Ahmed, convenor of the organising committee, has been identified as a veteran leader of the party and a councillor and Prof. Iqbal Hossain as the Organising Secretary of Jatiya Sramik League and in charge of the party's labour affairs office.

Political Resolution Reported

Dhaka THE NEW NATION in English 5 Jan 87 pp 1, 8

[Text]

The Awami League has called for removal of the present government and restoration of the sovereignty of parliament by establishing parliamentary system of government instead of presidential system.

The call was made in the political resolution of the council session of the party on its concluding day.

The resolution stressed the importance of establishing fundamental rights including freedom of the press and freedom of speech and development of democratic administration and values in all spheres of life by resisting 'all conspiracies' against four fundamentals of the '72 constitution-nationalism, socialism democracy and secularism.

The resolution contained 7-point demand and programme of the party.

It demanded establishment of the rule of law, people of all repressive and black laws, release of political detainees and lifting of restriction on homecoming of Kader Siddiqui.

It also demanded trial of the killing of the Bangabandhu and four other national leaders measures to rehabilitate freedom fighters honourably in the society.

It called for ensuring a strong and consolidated position of the armed forces within the constitutional framework and making them a symbol of national aspirations and national independence and sovereignty above political controversy.

/9274

CSO: 4600/1372

BENGALI DAILY SCORES GOVERNMENT ACTION AGAINST BNP

BK021339 Dhaka SANGBAD in Bengali 26 Jan 87 p 4

[Editorial: "Undesirable and Provocative"]

[Text] The incident that took place in connection with the Bangladesh Nationalist Party [BNP] meeting at the Gulistan Square on the first day of the parliamentary session is absolutely undesirable and provocative. The government has claimed that with the lifting of martial law and reinstitution of the constitutional rules, it has fulfilled its pledge to establish democracy in the country. Thus, under the situation everyone naturally expected that there would be no obstacle to the holding of assemblies or meetings. But it seems from the Saturday incident that the ruling circles are still not prepared to respect "the rules of the game" for democracy. The BNP and the Seven Party Alliance organized the meeting on that day to demand the resignation of President Ershad and dissolution of the parliament. Everyone may not agree with these demands, but no one can deny the people the right to register their demands. If that is done, then the government's claim of establishing democracy will turn into a farce.

The authorities could say that the BNP and the Seven Party Alliance did not seek police permission to hold the meeting. On earlier occasions permission was required only for the use of microphones; now it seems that it is essential even for the holding of public meetings. The concerned authorities should study how democratic it is that permission must be sought from the police to hold public meetings. It would be better for us not to speak of democracy when holding of opposition party meetings depends on police permission. At the most there could be some arrangements to inform the police about the meetings so that they could assure that they are held peacefully and prevent anyone from creating disorders at the meetings. They cannot be invited to break the participants' heads. The government has, however, brought the situation to that level. To protect its sanctity, it has banned the holding of public meetings at Baitul Mukkaram. Under the pretext of not inconveniencing traffic and pedestrians it has forbidden the holding of any meetings at Gulistan Square. The once famous Paltan Maidan, Outer Stadium, Race Course Maidan and Shurawardy Gardens have been out of bounds for public meetings for a long time. The doors of Osmani Gardens are also closed. Thus, there is in practice not a single place in the central part of the city of Dhaka where

public meetings may be organized. At Sher-e-Banglanagar the place reserved for public meetings lacks communication facilities. Of course, it is not desirable to hold public meetings on busy streets and thereby disrupt traffic, but the only way to prevent streets and intersections being used for such purposes would be to set up suitable spots in the central parts of the city for public meetings. The ruling party, however, has no such problem in holding its meetings because those meetings are attended either by the president or the prime minister. They also do not bother to ask permission from the police. It is only the opposition parties who have any problems. Without police permission they hold "illegal" meetings and also face the police batons.

The extreme lack of restraint demonstrated by the police in their behavior on Saturday last deserves severe condemnation. There was no need for merciless baton charges and arrests when the organizers of the meetings began to disperse when the police arrived. There was also no justification for so humiliatingly loading the BNP leaders, including Mrs Khaleda Zia, into the police van and detaining them at the Matijheel police station for some hours. The authorities must give a satisfactory explanation of why it became necessary for the police to attack the journalists who were performing their duties. Such lack of restraint and wayward behavior is not expected from any police force of a civilized nation.

If democracy is our cherished goal, then the government has to practice democratic tolerance. It has to grant to the opposition parties their right to hold meetings and freely express their views. Otherwise, the government's assertions on democracy will turn into empty words. This will not reduce, but will only increase, instability and tension in the society and in politics. Where is the difference between martial law and the nonexistence of martial law if the opposition parties cannot, freely and peacefully, even hold their meetings.

/8309

CSO: 4600/1391

PAPER REPORTS BNP STANDING COMMITTEE MEETING

Dhaka THE BANGLADESH OBSERVER in English 14 Jan 87 pp 1, 8

[Text]

The National Standing Committee of Bangladesh Nationalist Party (BNP) in its meeting held on Monday with the party chief Begum Khaleda Zia in the chair decided to launch the next phase of its movement with countrywide rallies and demonstrations on January 24.

The party will embark upon a mass contact tour and hold rallies and demonstration until February 20. The Party Standing Committee has drafted a 13-point programme on the basis of which it will launch a movement to oust the present Government.

The Standing Committee demanded resignation of President Ershad, annulment of the elections to Parliament and the presidential elections, exemption of interest on agricultural loan, reduction of prices of agricultural inputs, and scaling down of prices of essential items including rice, pulses, etc. Implementation of the agreement reached between SKOP and the Government distribution of dye and yarn at fair price to the weavers, removal of anarchy from the campus, increase employment opportunities, elimination of corruption and nepotism, independence of judiciary, withdrawal of ban on public meetings at Baitul Mukarram and stop realising higher bus fare.

The Standing Committee blamed

President Ershad for the chaotic economic situation in the country. It feels that the smuggling has been rampant, the local industries are being shut down, agriculture has collapsed and price of essential commodities have soared beyond the purchasing capacity of the commonman.

The Taka-dollar ratio has jumped Taka 16 in 1982 to Taka 24 now. President Ershad ousted an elected President from office and dissolved the duly elected Parliament on the plea of removing corruption. But corruption has now engulfed the whole society, the meeting noted. The educational institutions can now no longer impart proper education and law and order has considerably deteriorated.

The last parliamentary election held on May 7 and presidential polls held on October 15 have amply demonstrated the BNP's apprehension that free and fair elections were not possible under the present government, the meeting viewed.

The Standing Committee meeting said that the Government was an extension of the Martial Law rule and was pushing the country to a catastrophic situation. The meeting called upon all democratic forces to unite and remove the Government through mass movement.

/9274

CSO: 4600/1377

DIRECTIVES ON COURT JURISDICTION STIR RESENTMENT

Powers Defined

Dhaka THE BANGLADESH OBSERVER in English 26 Dec 86 pp 1, 10

[Text]

The Chief Justice of Bangladesh issued new directives under a notification on Saturday, defining the powers and jurisdiction of each of the High Court divisions of the Supreme Court at Comilla, Barisal, Jessore, Rangpur, Sylhet and Chittagong.

The operational jurisdiction of the High Court Division at Comilla will cover the districts of Comilla, Chandpur, Brahmanbaria, Noakhali, Feni and Lakshmipur.

The High Court Division at Barisal will have operational jurisdiction in the districts of Barisal, Juroipur, Jhalokhati, Bhola, Patuakhali and Barguna while that at Jessore in the districts of Jessore, Jhenaidah, Magura, Narail, Khulna, Bagerhat, Satkhira, Kushtia, Chuadanga and Meherpur.

The districts which will come under the jurisdiction of the High Court Division at Rangpur include Rangpur, Nilphamari, Gaibandha, Kurigram, Lalmonirhat, Bogra, Joypurhat, Pabna, Sirajganj, Rajshahi, Naogaon, Natore, Nawabganj, Dinajpur, Panchagarh and Thakurgaon.

Sylhet, Moulvibazar, Sunamganj and Habiganj districts will come under the jurisdiction of the High Court Division at Sylhet while Chittagong Cox's Bazar, Chittagong Hill Tracts, Bandarban and Khagrachari districts, under the jurisdiction of the High Court Division at Chittagong.

Each of the High Court Divisions outside Dhaka shall exercise concurrent jurisdiction and powers including filing with the High Court Division at Dhaka

in respect of all division bench matters and single bench matters including all applications in connection with such matters and matters relating to contempt of court except in respect of original side matters including writ, company matters and admiralty matters.

The appeals, petitions, applications in Division Bench matters, the committee are: Joint secretaries Shafiqul Alam Kazal and Swapan Saha, Treasurer: Syed Akhtar Yusuf and 10 members Ahmed Noor-e-Alam, Abid Khan, Jaglal Alam, Ataur Rahman, Golam Mohiuddin Khan, Khandker Manirul Alam, Nurul Huda, Atiqur Rahman, Khandker Fazlur Rahman (Feurey), Syed Badruz-zaman.

Bar Association Reaction

Dhaka THE BANGLADESH OBSERVER in English 14 Jan 87 pp 1, 8

[Text]

The Bangladesh Supreme Court Bar Association on Tuesday reiterated its demand for the resignation of the Chief Justice for what it called violation of Article 100 of the constitution and lowering the prestige of the Supreme Court and the judiciary.

Addressing a Press conference at the Supreme Court Bar Association, Mr. Shamsul Huq Chowdhury, President of the Association and the

Convener of the Co-ordination Council of the Bar Association of Bangladesh, said that the Chief Justice subordinated himself to the chief executive by carrying out the anti-constitutional order of the President. He also alleged that by doing this, the Chief Justice had impaired the independence of judiciary. He said judiciary under present Government is not independent.

Severely criticising the deployment of riot police in the Supreme

Court premises, Mr. Shamsul Huq Chowdhury said such deployment of police had lowered the prestige of the Supreme Court and the Chief Justice as well. In this connection, he said that police was never deployed in the Supreme Court premises during the 40 years of Pakistan and Bangladesh period. This Government, he alleged, had created a precedence by deploying police in the Supreme Court premises. It may be mentioned here that police was seen also on Tuesday in the Supreme Court premises.

Mr. Shamsul Huq Chowdhury condemned the remark of Prime Minister Mizanur Rahman Chowdhury against the Supreme Court lawyers. Prime Minister Mizanur Rahman Chowdhury while addressing a public meeting at Haimchar High School in Chandpur had said that a section of the lawyers was boycotting the court of the Chief Justice out of political motivation. Mr. Shamsul Huq Chowdhury took exception to the word a section of lawyers and said that Prime Minister should know that all lawyers of the Bangladesh Supreme Court were boycotting the court of the Chief Justice and not a section. He urged the Prime Minister to refrain from giving advice to the Supreme Court lawyers as it was out of his jurisdiction. Refuting the charge of political motivation levelled against the lawyers, the Supreme Court Bar Association President said that the Association was not politically motivated. Mr. Shamsul Huq Chowdhury said that he himself did not belong to any political party and the association has members of all shades of opinion. The association was launching the movement to uphold the Constitution and the prestige of the judiciary. He said the

remark of Prime Minister was not true.

The Supreme Court Bar Association will continue its boycott till January 18. It will hold a meeting of the Supreme Court Bar Association on the day.

Past recalled

Our Court Correspondent adds that in the 1958 Constitution, Article 97 of the Constitution of former Pakistan provided: The permanent seat of the High Court of the Province of East Pakistan shall be at Dhaka, but the Court may from time to time sit in such other places as the Chief Justice of the Court, with the approval of the Province, may appoint.

After independence, the Constituent Assembly, adopted the Constitution of Bangladesh, and provided in Article 100: the permanent seat of the Supreme Court, shall be in the capital, but sessions of the High Court Division may be held at such other place or places as the Chief Justice may, with the approval of the President from time to time appoint.

Bangladesh Constitution appears to be more specific on this point. Session relates to the period of time.

After 1982-Martial Law, the Chief Martial Law Administrator by promulgation of proclamation Order No. 2 of 1982 provided a provision for establishment of permanent Benches of High Court Division with seats at such places and for such areas as might be specified in notification in the official Gazette. It further provided that the permanent Bench would consist of such number of judges as might be fixed by the Chief Martial Law Administrator from time to

time, and it would, in relation to the area for which it was established, have all powers and jurisdiction of that Division, except that the Admiralty of High Court Division and the original jurisdiction of that Division in respect of the company matters would be with the permanent Bench having its seat at Dhaka. The permanent Benches were accordingly established at Dhaka, Chittagong, Comilla, Sylhet, Rangpur, Jessore and Barisal.

During the period of Martial Law, the Chief Martial Law Administrator fixed the number of judges for such permanent Benches established at different places.

After passing of the Constitution (7 Amendment) Act, 1986 on November 10, 1986 by the newly elected Parliament, the proclamation of Martial Law of March 24 was revoked. Upon revocation of the proclamation and withdrawal of Martial Law, the Constitution was fully restored. Paragraph 7 of the Constitution (7th Amendment) Act, 1986 reads as: "Upon the revocation of the said proclamation and withdrawal of Martial Law, this Constitution shall stand fully revived and restored and shall subject to the provisions of this paragraph have effect and operate as if it had never been suspended."

Article 100 of Bangladesh constitution thus stood revived. There can be sessions or periodical sittings of the High Court Division at such other place or places as the Chief Justice may, with the approval of the President, from time to time appoint.

The Supreme Court Bar has taken exception to the permanent sittings of the judges at different places. They say it is in violation of Article 100 of the Constitution.

/9274

CSO: 4600/1377

GAP IN FOOD AVAILABILITY, REQUIREMENTS REMAINS HIGH

Dhaka HOLIDAY in English 16 Jan 87 pp 1, 8

[Article by Quamrul Islam Choudhury]

[Text]

In Bangladesh, despite a gradual increase in food-grain production, a gap between the availability and requirement remains high at 10 percent. This food deficit which during the last year (FY 86) was 2.3 million tons is likely to be around 1.8 million tons in the current year (FY 87) according to a forecast.

The rapid growth in foodgrain production is constrained by inherent stagnation in productivity, low level of input use, slow use of high yielding varieties, unfavorable weather and natural hazards.

On top of it Bangladesh loses 1.4 million tons of paddy each year due to the traditional practices followed in the post-harvest process. The phases of losses were identified as harvesting, field stacking, bundling, drying, transporting, threshing, cleaning and sun-drying.

Out of the 11.5 million hectares cultivable land in the country about 83 percent is under food crops. Last year the production target was 16.5 million tons of rice and wheat while the actual production was 16.1 million tons.

The target for the current FY 87 is 17.4 million tons of rice and wheat but

economists have forecast a production level of between 16.8 to 16.9 million tons.

Aus crop target last year was 3 million tons while production was 2.82 million tons. This year the target has been raised to 3.2 million tons while production is 3.1 million tons according to official estimates.

Last year aman crop production was 8.54 million tons while this year the target has been fixed at 8.5 million tons and production has also been at that level, official estimates show.

The target for boro crop of the current year has been set at 4.2 million tons while last year production was at the level of 3.67 million tons. The target for wheat has been fixed this year at 1.5 million tons while last year production was 1.04 million tons.

Economists observed that the area under the traditional aus and broadcast aman is gradually decreasing while areas under wheat, boro and HYV aman crops are increasing.

Being an input intensive crop the expansion of boro depends on irrigative facilities which in the current year remains stagnant as suggested by official figures.

Wheat production, which

expanded in the post-independence period, has been facing problems of weather-induced factors.

The high-yielding varieties are now grown on 25 five percent of the total area to harvest 40 percent of the total foodgrain production.

Expansion of both acreage and yield is dependent on adequate irrigation facilities, fertilizer application, use of improved seeds, pest management, farmer's ability to invest in crop-raising activities besides favorable weather at seeding.

Economists feel the relative prices of inputs and outputs are critical for technological expansion. The government policies, particularly the price policy, did not prove favorable for the expansion of HYVs and yield rates, they remarked.

There is a general tendency among the farmers to harvest crop when it is too mature and this also causes substantial grain loss. A study by Huq, Quasem and others of the Bangladesh Rice Research Institute found that overall grain losses by weight in case of aman, aus and boro are 7.5, 7.2 and 6.4 percent respectively. The loss average is computed around 7 percent.

REPORT ON TALKS BETWEEN ERSHAD, NCNA DELEGATION

Dhaka THE BANGLADESH OBSERVER in English 24 Dec 86 pp 1, 8

[Text]

President Hussain Muhammad Ershad on Tuesday visualised a "very bright prospect and potentiality" of South Asian Association for Regional Cooperation (SAARC) towards creating amity and understanding and forging greater cooperation among the nations of the region, reports BSS.

Talking to the members of the visiting Xinhua news agency delegation from People's Republic of China who called on him at Bangabhaban Tuesday afternoon, the President said because of the SAARC forum which provides opportunity at the apex-level contacts of the leaders of the member-countries the prospect of resolving bilateral issues and problems is now brighter than ever.

The Xinhua news agency delegation who met the President are Zeng Jianhui, Deputy Chief Editor, Wu Jin Chief News Editor of International News Department and Ou Qiming Chief News Editor Photo Department.

Information Minister Anwar Zahid, Chinese Ambassador to Bangladesh Zheng Jianying and Chief Editor of Bangladesh na-

tional news agency BSS ABM Musa were present.

President Ershad said during one-year life span of SAARC, "we have achieved a great deal towards attaining the objective of increased cooperation among the countries of the region for attaining welfare of the one billion people of the area in an atmosphere of peace and active cooperation."

The President also spoke of the close friendly ties between Bangladesh and China and said the relations will grow from strength to strength. He said bridge over river Buriganga being built by China will stand as embodiment of friendship between the two nations.

Xinhua delegation chief Zeng Jianhui told President Ershad of his high appreciation of the development activities now going on in Bangladesh under his (Ershad) leadership. He said while visiting the countryside, they were impressed to see increased development and economic activities evident everywhere.

The Chinese envoy who was present on the occasion handed over a copy of holy Quran printed in China and an album on President Ershad's visit to a mosque in China during his last tour of that country.

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CSO: 4600/1366

CORRESPONDENT ON CONDITION OF STRANDED PAKISTANIS

Dhaka THE BANGLADESH OBSERVER in English 24 Dec 86 pp 1, 8

[Text]

About 20,000 stranded Pakistanis have been languishing in sub-human condition for the last 15 years at the Geneva Camp at Mohammadpur. They are awaiting repatriation to Pakistan. These non-locals, who originally came to the then East Pakistan mostly from Bihar state of India in 1947 opted to go to Pakistan after the emergence of Bangladesh as an independent state.

Geneva Camp is the largest of 66 such camps set up in the third quarter of 1972 by the Government. In Dhaka city, six camps are located at the Mohammadpur area. The total population of stranded Pakistanis in these six camps is about 32,000.

The number of stranded Pakistanis in 1974 stood at around six lakhs. A total of 1,35,000 have been repatriated in phases beginning in October 1974. Despite an understanding with the Pakistan Government for others' repatriation there has been no further progress in this regard.

The present number of stranded Pakistanis in Bangladesh stands at nearly 2,58,000 according to a survey by the Stranded Pakistanis General Repatriation Committee.

The stranded Pakistanis' Resettlement Trust headed by Prince Talal bin-Abdul Aziz of Saudi Arabia who is also the President of the Rabeta-e-Alam-e-Islam took an initiative for the

repatriation of these non-locals from Bangladesh. Rabeta assured the Pakistan Government that they had a bank guarantee of three million US dollars and collected two millions more for the purpose. The Pakistan Government has not yet finalised any programme for repatriation despite the request of both the Bangladesh Government the Rabeta to expedite the process.

Caritas, 40 by Concern five by OXFAM and five by Heed Bangladesh. Work on other '74 is being supervised by Concern and two by Heed Bangladesh. Six hundred eleven families are yet to be provided with shelter. The NGOs constructed houses on wooden structures with CI sheet roof. Rabeta constructed semi-pucca sheds with tin roofing.

Mohammad Kalam, Chairman of the camp told this correspondent on Tuesday that most of the inmates of the camp are illiterate and 80 per cent of the male members earn their bread by pulling rickshaws.

Others work as mason, quilt-maker and run small shops etc.

The Geneva Camp set up by the International Committee of Red Cross (ICRC) was handed over to Bangladesh Red Cross Society in 1973. BRCS handed over the camp to the Deputy Commissioner of Dhaka in 1976. The Deputy Commissioner provided

des a very meagre ration of three seer four chatak of wheat per month for each adult and one seer 10 chatak of wheat for each minor.

The stranded Pakistanis told this correspondent that they were demanding repatriation in a non-violent manner. They regretted that their sufferings for the last 15 years were not seriously considered by the relevant authority. The Pakistan Government is delaying repatriation but not refusing shelter to those who somehow manage to reach there, they said.

The Geneva Camp Committee has started a school for the camp children which is not yet recognised by the Education authority. The Deputy Commissioner provides only 18 maunds of wheat per month for 14 teachers of the school. Seven students including one girl appeared at the SSC examination this year from other schools.

Bathing space open

The living condition in the camp is sub-human without any sanitation. Common latrine and open bathing space a common sight. The entire area gives a dismal look. The inmates cook their own food in open space. Those who are yet to get accommodation in the new sheds are somehow passing their days in untold miseries.

/9274

CSO: 4600/1366

DETAILS OF PACT ON TRIBAL REFUGEES' REPATRIATION

Dhaka THE NEW NATION in English 1 Jan 87 pp 1, 8

[Text]

Officials of Bangladesh and India have agreed to start repatriation of tribal refugees from camps in Tripura to their homes in Chittagong Hill Tracts from January 15.

According to informed sources, the two countries' officials set the new date for repatriation at a meeting at the eastern Indian state's frontier town of Sabroom on Monday.

Bangladesh side at the meeting was led by the Deputy Commissioner of Khagrachhari district and the Indian side was headed by the District Magistrate of Udaipur of Tripura.

The refugees numbering some 24,000 will start returning to their homes through two border reception centres at Khagrachhari and Rangamati.

About one hundred families will return every day as per schedule worked out by the officials at Sabroom conference. During the first phase, over 6000 will be taken and the repatriation is likely to continue for several months, the sources said.

They will be provided with rations, cash grants and support to raise foods during the initial phase of their repatriation, it is learnt.

The refugees' return, earlier scheduled to begin from the

second week of December, was stalled following renewed violence by the outlawed Shanti Bahini who launched attacks on the people of all sects.

In recent weeks, they killed 71 people, most of them workers and settlers from the plains. The most gruesome incident of killing took place in Ramgarh town, overlooking Sabroom, on December 22.

The carriage of a Ramgarh movie house and burning of a nearby bazar had left at least 20 people dead and 50 others injured. Shanti Bahini then fled to India crossing the dry bed of Feni river which demarcates the two countries' frontier. Their raid was covered by fire from across the border on the BDR outpost and police camps.

Even when the officials were discussing the repatriation issue and cross-border insurgency, which the military commanders of the two countries had agreed to halt earlier on December 7, Shanti Bahinimen attacked workers laying roads at Khagrachhari on Monday. Five workers were killed and seven others were injured.

It was not known whether the accord to stop cross-border insurgency had been further cemented or what other agreements had taken place at Sabroom meeting. Officials in

Dhaka were unable to furnish further details.

Asked about the daily flow of returnees numbering 300 families per day, as reported by the All India Radio and two Indian news agencies from Tripura state's capital Agartala yesterday, the officials failed to provide the details.

A senior official said he was collecting the details and would talk to newsmen today.

/9274

CSO: 4600/1371

ERSHAD INAUGURATES ANTISMUGGLING CONFERENCE

Dhaka THE BANGLADESH OBSERVER in English 11 Jan 87 pp 1, 12

[Text]

President Ershad said in Dhaka on Saturday that smuggling operations were responsible for disruptions to the national economic growth process. Our efforts for industrialisation, particularly the growth of small industries and promotion of employment opportunities, are being frustrated due to smuggling, he noted. The Government, he said, is incurring huge revenue losses. "We will not allow our economy to serve as a perpetual market for foreign goods and we will have to make determined and bold efforts to develop our own industries to speed up our national economic uplift and, thus, attain self-reliance," he added.

Inaugurating a two-day national seminar on "Smuggling, problems and its solution" which was first of its kind in the country at the auditorium of Bangladesh Chemical Industries Corporation (BCIC) complex in Dhaka, the President termed the smugglers as the national enemies. Their operations must be countered with a heavy hand, he added.

President Ershad reiterated his Government's firm determination to curb smuggling to ensure the full growth of the country's productive potentials and optimal utilisation of the available capacity. He called for total and effective participation by the people at large in making the anti-smuggling drive a complete success. "We should enforce a complete social boycott of those who indulge in smuggling, amass black money and cause extreme damage to the national economy", he felt.

He also underlined the need for

countering the growing menace of drug trafficking and observed that narcotics-addiction among a section of our youths was posing a severe challenge to our healthy national future. "We cannot allow this situation to continue any further," he asserted while calling for an effective national drive on a priority basis to counter drug trafficking and drug-addiction.

Referring to the smuggling operations, the President said that the efforts to accelerate the pace of development activities through various reform measures and to provide a dynamic momentum to industrialisation under a liberal and growth-oriented industrial policy were being frustrated by smugglers. The Government will not allow this situation to persist any longer and this is the reason that the anti-smuggling drive under National Smuggling Resistance Committee and through task-force at various levels, three special tribunals, extensive application of the provisions of the Special Powers Act of 1974 and other logistics support has been stepped up on a priority national basis, he added.

He pointed out that some products, now made in Bangladesh, have already earned reputation in the foreign markets. He emphasised the need for translation the slogan, "be Bangladeshi and buy Bangladeshi" into a real action. He called upon the industrialists to give more stress on quality improvement, product diversification, cost reduction and proper distribution arrangements.

Earlier, Deputy Prime Minister Mr. Maudud Ahmed in his address

of welcome said that the Government has the political will and determination to deal with the problems of smuggling and put an effective halt to smuggling operations. He was of the view that the prevailing political stability based on Constitutional rule of law provided an ideal ground for hastening the process for country's socio-economic transformation and advancement.

He stated that the seminar on smuggling has been organised by his Ministry in view of its pernicious effects on national economic operations. He hoped that the deliberations by the participants in the seminar would lead to a more concrete identification of the ways and means to curb smuggling and to strengthen the economy. He said that appropriate changes in fiscal structure and economic policies would also be brought about, if necessary, to counter smuggling.

The seminar was organised by the Ministry of Industries in the wake of severe allegations in domestic industrial and investor circles that unabated smuggling continued to blight the prospects of their operations in the economy. Deputy Prime Minister Mr. Maudud Ahmed who is in charge of the Ministry of Industries addressed its inaugural session, Minister of State for Industries Mr. Mesbahuddin Ahmed was also present.

Vice-President Mr. Justice Nurul Islam, Prime Minister Mr. Mizanur Rahman Chowdhury, Deputy Prime Ministers and other members of the Cabinet attended the session, the representatives of various Chambers of Commerce and Industry and trade associations also joined it.

/9274

CSO: 4600/1376

IRREGULARITIES IN ASSIGNMENTS TROUBLE FOREIGN SERVICE

Dhaka HOLIDAY in English 26 Dec 86 p 3

[Text]

Irregularities by a powerful quarter in selecting candidates for appointment in the economic, commercial and other wings of Bangladesh missions abroad have created widespread misgivings among the civil servants. The appointments also include the cases of some Bangladesh ambassadors. In most of the cases, the existing orders were overruled by the powerful quarters to favor their candidates.

The appointments included economic and commercial consellers, labor attaches and ambassadors who were drawn from the services other than the Foreign Service, according to official sources.

In some other cases civil servants who were selected from services other than the Foreign Service were denied equal privileges, service benefits and opportunities and thereby subjected to various discriminations.

In a recent appointment of economic councillors, the standing committee is learnt to have interviewed the intending candidates in 1985 and selected a list of seven candidates for two posts of counsellors.

Rezaul Hayat, former

director general of the Bangladesh Rural Development Board and M. A. Hannan, joint secretary, Ministry of Finance, topped the list. Out of these two, Rezaul Hayat has been given appointment at London. But M. A. Hannan was not taken in. Instead another person was chosen. A minister was allegedly instrumental in selecting this candidate.

In selecting labour attaches for Bangladesh missions abroad, similar irregularities were committed last year. A number of potential candidates who secured good positions were denied appointment due to interference from some powerful quarters.

On the other hand, the existing bar on the nomination and appointment of civil servants, who have more than two children, for serving abroad are not being uniformly applied by the government. A dozen of candidates who do not fit into the existing rules however managed foreign postings, while dozens of other civil servants were denied foreign postings on the same ground.

The discriminatory application of existing rules have created widespread

debate among the concerned circles. This has been defeating the government objectives for deploying efficient civil servants in the foreign missions abroad.

Besides, persons belonging to cadres other than the Foreign Service are not allowed home leave and equal tenure of serving abroad in line with the Foreign Service cadres.

These practices by the government have been demoralizing the government servants and the dropping of efficient civil servants from appointments in vital positions in Bangladesh embassies abroad have raised doubts about the performance of the embassies. Specially in the context of reorientation government policy.

Earlier a committee headed by former BRD Secretary Mafizur Rahman was formed to evaluate the activities of the Bangladesh missions abroad. The committee, with one note of dissent, recommended for the reorientation of the Bangladesh embassies toward economic interests of the country in the fields of aid, trade, export of manpower and promotion of investment and tourism.

MANY CIVIL SERVANTS DISMISSED UNDER MARTIAL LAW

Dhaka THE NEW NATION in English 25 Dec 86 pp 1, 8

[Text]

Over 1600 government servants were dismissed from service under Martial Law Order (MLO 9) from 1982 until November 9, 1986.

The dismissed government servants included civil and foreign service cadres, policemen, doctors, engineers and other professionals.

The police service had the highest number of dismissals under the MLO 9. At least 1047 police personnel of all ranks were removed from service during the period, according to available statistics.

The MLO 9 provided outright dismissal without attributing any reason.

It provided no opportunity to the victims to avail themselves of the service procedures for dismissal of government servants.

Under the normal procedures, a government servant is given the opportunity to explain why he should not be dismissed or suspended. But in MLO 9, no such provision existed.

While the policemen were sacked outright, the civil servants and professionals were given an opportunity to appear before a committee to make a statement.

They, however, did not get a chance to defend themselves or appeal against the termination.

The cases of police personnel were later reviewed by a committee and 347 out of 1047 were reinstated.

But no such opportunity was given to the civil servants and professionals.

It is alleged that some termination orders under MLO 9 reached their destination, for whatever reason, even after withdrawal of martial law.

/9274

CSO. 4600/1367

ASIAN DEVELOPMENT BANK LENDING SLOWS DOWN

Dhaka HOLIDAY in English 26 Dec 86 p 3

[Article by Hassan Abul Quasem]

[Text]

The lending program of the Asian Development Bank in Bangladesh has drastically slowed down during the current year. Bangladesh has only realized 38 percent of the bank's overall commitment for the year, according to official sources.

The processed loan amount is reportedly the lowest ever since the inception of the bank's operation in Bangladesh, it is learnt.

The political perception of the ADB, its greater reliance on policy dialogue, and the government's inability to firm up its position in many cases are learnt to be the main causes for the sudden spectacular drop of ADB program during the current year.

Bangladesh has finally realized only about 140 million US dollars against the official commitment of about 360 million dollars during the period under report.

This situation has led to an inordinate delay in the implementation of some of the projects and deferment

of some other vital projects during the same period.

Bangladesh has finalized negotiated deals regarding 4 projects and deferred six nationally important projects and the remaining 10 technical assistance projects have been delayed.

ADB has dropped one water management project—Kurigram irrigation—on political considerations. ADB is learnt to have succumbed to the Indian pressure to stop financing of the 20 million dollar project. It has asked Bangladesh to resolve the riparian issue with India before entering into an agreement with the bank.

Bangladesh has not yet responded to the ADB's stand. An official response is likely to be sent to the bank regarding the latest position of Bangladesh.

Regarding the 55 million dollars for the Brahmaputra basin project the bank is yet to respond. No appraisal mission has been sent yet for the project appraisal which is mostly tied with the multi-purpose Jamuna bridge project.

Regarding crop the diversification program the Bangladesh government is still undecided about the involvement of the ADB as a co-financier. Another deferred project is the 63 million dollar social forestry project whose components are yet to be finalized by the government.

In one other case the bank has cancelled negotiation of loans last October. This loan is likely to be finalized in the 1987 calendar year.

The delayed projects are mostly the technical assistance projects. Bangladesh has incurred a total of about 50 million dollars on account of a 15-month delay in the Tongi and Ishurdi 230 kv sub-station project. This cost includes interest charges, overhead expenditures, revenue losses, etc.

In some of the projects, the ADB has been delaying the signing, processing and negotiation of the agreements while in a few other cases UNDP has declined to finance despite the bank's willingness.

ASIAN DEVELOPMENT BANK TO LEND DHAKA \$60 MILLION

Dhaka THE BANGLADESH OBSERVER in English 31 Dec 86 pp 1, 8

[Text]

The Asian Development Bank has announced its approval of two SDR 50,312 million (equivalent to 59.71 million US dollar) concessional loan and technical assistance grant to Bangladesh for the second aquaculture development project and the Khulna coastal embankment rehabilitation project, reports BSS.

The ADB based in Manila said out of the total amount 42.81 million dollar (SDR 36.07 million, concessional loan and technical assistance grant (UNDP-financed) will go for the aquaculture development project which will expand the supply of fish products in the country.

According to a Press release available in Dhaka remaining amount of 16.9 million dollar (SDR 14,242 million) has been earmarked for the Khulna coastal embankment rehabilitation project.

The main objectives of the second aquaculture development project are to promote the continued growth of shrimp production from pond culture in order to generate added foreign exchange earnings, increase the availability of fish for domestic consumption, expand employment opportunities, augment incomes in rural areas, and make optimum use of the nation's natural resources.

To meet these goals, the project will address two major aquaculture-production constraints. Slow transfer of technology and inadequate credit to meet capital and operating cost requirements. The project will also in-

clude a scheme to enhance the fisheries productivity of the country's floodplains which will have a favourable long-term impact on the nation's fisheries development.

The project includes four major parts: Shrimp culture development, carp culture development, culture-based floodplain fisheries enhancement, and general implementation and institutional support. The project will also support both private and public sector activities, for example, the production and marketing of shrimp and carp will be undertaken by the private sector while the public sector agencies will provide credit and technology.

At full development, the project will lead to incremental carp production of 33,000 metric tons (MT) annually worth about 26 million US dollars and incremental shrimp production of 1,300 MT (of which more than 50 per cent will be exported) annually valued at nine million US dollars. In addition, the project will create additional jobs for 52,000 people, 1,000 people under the non-credit components, and 51,000 people under the credit component.

The total cost of the project is estimated at 60 million US dollars. The bank's loan will meet a portion (15.92 million US dollar) of the foreign exchange cost of the project and 26.89 million US dollars of the local costs. The Government

has also requested the United Nations Development Programme to provide a technical assistance grant amounting to 2.65 million US dollars for financing the consulting services required for the project.

The loan comes from the Asian Development Fund the Bank's concessional lending window. It is repayable over 40 years, including a grace period of 10 years, and carries a service charge of one per cent per annum.

The objectives of the Khulna coastal project are to rehabilitate the drainage and flood control systems in the project area thereby increasing foodgrain production, providing employment opportunities and improving the standard of living of both the land-owning and landless population.

Project components include: Drainage system improvement, embankment rehabilitation, provision of supplementary tidal irrigation, and strengthening of the operation and maintenance capacity of the executing agency's (Bangladesh Water Development Board) field office. Consulting services for survey and design, project implementation supervision and preparation of a dry season agricultural cropping plan will also be provided under the project.

/9274

CSO: 4600/1370

FRG WHEAT GRANT, FOOD SITUATION DISCUSSED

Dhaka THE NEW NATION in English 6 Jan 87 pp 1, 8

[Text]

Bangladesh will receive 20 thousand metric tons of wheat grant worth about Tk 18 crore from the Federal Republic of Germany (FRG), under an agreement signed in Dhaka yesterday, says an official source.

This 20 thousand metric tons of wheat shall be distributed free of charge within the framework of Food-for-Works Programme.

Mr M K Anwar, Secretary, External Resources Division and the Ambassador of the Federal Republic of Germany, Mr. Klaus M. Franko signed the Agreement on behalf of their respective governments.

It may be mentioned here that with the shipment of the 20,000 metric tons of wheat the total supplies from Germany to Bangladesh since 1972 will amount to 490,000 metric tons.

FWP

The government has sanctioned 4,51,500 metric tons of foodgrains for execution of schemes under Food for Works Programme (FWP) and 1.77 lakh metric tons of wheat for income generating activities under Vul-

nerable Group Feeding (VGF) programme in the current financial year.

This was discussed in a review meeting of the Ministry of Relief and Rehabilitation held in Dhaka yesterday.

The Minister for Relief and Rehabilitation Maj, Gen (retd) M Shamsul Haq presided.

Secretary of the Ministry of Relief and Rehabilitation and other high officials attended the meeting.

The meeting reviewed the status of implementation of various schemes under FWP, VGF and Cyclone Preparedness Programme (CPP) and took some administrative decisions.

The Relief and Rehabilitation Minister instructed the concerned officials to take appropriate measures to stop misappropriation and misuse of wheat under the programmes through regular monitoring and close supervision.

The Minister was informed that government had curtailed sanction of resources to 23 upazilas as penalty for delay in

submission of schemes and poor performance. The acquired resources have been diverted to other upazilas for satisfactory performance. He was also informed that government sanctioned necessary funds for carrying wheat to each upazila.

The Relief and Rehabilitation Minister observed that 18 lakh distressed women and children of 4.53 lakh families have been getting 31.25 kg of wheat per women and 3 children and that 55 income generating activities have been identified to involve them under the Vulnerable Group Feeding Programme.

The minister stressed the need for finding out ways and means to make themselves self-reliant and self-employed so as to bring other distressed families under this programme. He also emphasised close supervision, publicity, devotion and honesty of the concerned officials to make best use of the available resources of the country.

/9274

CSO: 4600/1374

MINISTER ANNOUNCES END OF PUBLIC SECTOR SUBSIDY

Dhaka THE BANGLADESH OBSERVER in English 14 Jan 87 pp 1, 8

[Text]

CHITTAGONG, Jan. 13:— Government has decided not to give any more subsidy to the public sector industrial units and asked them to improve their efficiency and reduce loss through open competition with the private sector.

This was disclosed here today by Deputy Prime Minister in charge of the Ministry of Industries Mr. Moudud Ahmed.

Speaking at the installation ceremony of Progati Industries Karmachari League, at the country's only motor assembling plant, the Deputy Prime Minister said that the country could no more afford to give subsidy to the public sector units in meeting their losses. He said that the public sector should not expect any discriminatory concessions from the Government and they must learnt to compete with the private sector. He regretted that most of the public sector units had been incurring huge loss and creating burden on the state exchequer.

Emphasising the need for industrialisation the Deputy Prime Minister said that the existing industrial policy and the tariff structure would be revised to promote industrial development. The new policy would be soon announced, he added. He reminded all that there was no short

cut way to development and only hard labour and proper policy could ensure it.

Replying to demands of the workers union of the Progati the Deputy Prime Minister said that the Government would not give permission for motor assembling plant in future. He asserted that the country should now go for manufacturing of motor vehicles. He disclosed that plans were being taken to manufacture motor vehicles at the Progati.

The function was also addressed by Mr. Ainul Kamal, MP. The Chairman of Steel Mills Corporation Mr. Nefaur Rahman and the General Manager of Progati Mr. Rafiq Ahmed Siddique were present at the function.

Earlier, the Deputy Prime Minister went round the plant and expressed satisfaction over the performance of the Progati Industries which was once considered as a 'sick unit' Progati which incurred a loss of over Taka eight crore in 1984-85 and over Taka 1.75 crore last fiscal year made a profit of Taka 1.83 crore during the first six months of 1986. In 1983-84 the unit sold buses and trucks worth Taka 72 crore without any guarantee and collateral. With special drive the Progati

management realised Taka 54 crore so far. The Deputy Prime Minister appreciated the drive and asked the Progati management to recover the rest of the unrealised money.

On his way from the public sector unit the Deputy Prime Minister visit Aftab Automobiles, the only assembling plant in private sector. He was received at the plant by Mr. Shafiul Islam Kamal, Vice-Chairman of Islam Group and Director of Aftab Automobiles. While going around the assembling plant the Deputy Prime Minister reiterated Government's policy towards private sector and assured of giving incentive for both domestic and foreign capital investment for industrialisation.

Earlier, on his arrival at Patenga airport special security measures were taken by the administration to avoid any incidence like the one that happened during the visit of State Minister for Youth and Sports Sheikh Shahidul Islam when two rival groups of Jatiya Party who went to the airport to welcome the State Minister clashed with fire arms which prevented the Minister from landing at the airport. A number of welcome arches were erected in the city to welcome Mr. Moudud Ahmed.

/9274

CSO: 4600/1377

COMMITTEE TO HARNESS OIL RESOURCES PLANNED

Dhaka THE BANGLADESH OBSERVER in English 29 Dec 86 pp 1, 8

[Text]

A high-powered inter-ministerial committee involving the Ministries of Energy, Finance, Planning and also relevant development corporations and bodies is being set up to take appropriate follow-up measures for harnessing the country's crude oil resources struck at Haripur in Sylhet on December 24.

The Committee is likely to be headed by President H.M. Ershad in view of the topmost priority which the Government has accorded to the needs for exploration, exploitation and commercial use of crude oil deposits.

Energy Ministry sources told this correspondent on Sunday that the development funds now available with the Ministry, would be utilised through redeployment, if necessary, to meet the exigencies of the situation, requiring immediate attention to logistics and other support operations at the country's just-discovered oil field. "We are constantly assessing and reviewing the requirements and needs for funds and other support facilities to address ourselves befittingly to the new situation after the oil has been struck," the sources said while noting that the Government was caught unaware by the new development. The high-powered Committee, the sources noted, will be coordinating all operations relating to drilling, exploration, exploitation and commercial use of the crude oil reserve.

The relevant official circles said that "security aspects" would draw the "deserving attention" of the Government. "Now that oil has been struck, we are faced with an entirely new situation and will have to handle it with collective wisdom and prudence to enable the country to start exploiting its oil resources for commercial use," they observed.

Energy Minister Anwar Hossain stated to this correspondent that drilling operations at one of the two other identified locations at Haripur on the upper strata of the layer where the oil had been struck would begin within the next fortnight's time. Similar operations at the other location will follow soon, he added.

Highlighting his Ministry's new high-priority, the Energy Minister said that all-out efforts were being made to expedite actions on drilling and exploration of oil. "The kind of cooperation and sense of direction that we are receiving from the President have inspired us all for actions," he observed.

Official circles told this correspondent that the Government would primarily depend on local expertise and resources as far as possible for oil extracting purposes. "We will only hire the services of foreign experts and consultants as and when needed in case of non-availability of local expertise and resources for the same," the circles said.

The Ministry of Energy sources are meanwhile optimistic about the concrete outcome of the operational results for commercial use of natural crude oil, struck at Haripur, within six months' time from now on after all necessary and relevant actions are over.

The commercial flow of natural crude oil, having gravity of point 88 and American Petroleum Standard gravity of 29.5 point, began at the Seventh well drilled with the assistance from Asian Development Bank (ADB) at Haripur gas field. The perforation of oil layer, the official circles recalled, was made as the drilling there at Haripur

went to 2,013 to 2,010 metres after repeat formation test. The crude oil at Haripur, being of Brunel-type water-form, started flowing up without any pressure at the rate of 600 barrels a day. The natural pressure at the site only indicates "high reserves" of oil, the competent sources told this correspondent.

Preliminary estimates available with the Energy Ministry suggest that there is an expected of 40 million standard barrels of oil at the site. But, the Ministry sources emphatically said that the actual deposit in Sylhet structure where oil had been struck would be "quite bigger". Further advanced seismic studies and drilling operations will lead to concrete delineation of the oil structure and firm assessment of the reserves, the sources maintained.

100 p.c. commercially viable

Asked about the commercial viability of drilling operations at Sylhet structure, the Energy Ministry sources said, the oil, struck at Haripur, is cent per cent commercially viable. "Our geological information indicates the firm availability of more oil layers, and some even at a comparatively lower depth strata, at Sylhet structure", they noted. The sources pointed out that drilling at Beanibazar area also under Sylhet oil structure would start shortly under a Canadian assistance. Drilling operations at Rangpur and its adjoining areas falling within the same rock formation as that in Sylhet are being carried out by Shell Oil Company, the sources added.

The officials sources told this correspondent that seven operational oil rigs were now available in the country. There is no problem of rig at the moment, they added. Asked about the average cost of rig procured under external assistance, the sources said that the cost for each rig varied between 30 million US dollar and 40 million US dollar. Replying to a question, the sources noted that the cost of a semi-used rig in the international market was only about four million US dollar now in view of the prevailing depressed oil prices. They agreed that had the rigs could be procured under cash, the procurement cost would have been much lower.

Assessing the economic impact of oil extraction in the country, the authoritative sources observed that the oil so extracted, is expected to facilitate the complete substitution of imported fuel within next two or three year's time. "If this is ultimately facilitated, the country would save annually over 300 million U.S. dollars in its import operations" they noted.

At present Bangladesh, to note here, imports about a million tons of crude oil and about 0.6 million ton of petroleum products to meet the country's annual fuel requirements. The imported fuel as such meets 40 per cent of the annual fuel requirements and the rest sixty per cent are met from indigenous gas resources.

Meanwhile the Energy Ministry sources told this correspondent that the refining of the natural crude oil struck in Sylhet structure, would pose no pressing problem. At best, we will need to go for a less expensive processing plant, they added.

/9274

CSO: 4600/1369

DHAKA'S FIRST MARINE FISHING POLICY ANNOUNCED

Dhaka THE BANGLADESH OBSERVER in English 2 Jan 87 p 8

[Text]

The government has decided to fix the number of trawlers to operate in the Exclusive Economic Zone (EEZ) of the Bay of Bengal to catch shrimps and other varieties of fish, reports BSS.

Announcing the country's first marine fishing policy, the Minister for Fisheries and Livestock, Mr. Serajul Hussain Khan, said the operators would have to catch all types of fish from EEZ by trawlers and mechanised boats. Under the new policy two trawlers would make a complete fishing unit-one trawler for shrimp and another to catch other type of fish.

Mr. Khan said from now on except a certain fixed number no trawler would be permitted to operate and that quantity of shrimp catch from Bay of Bengal would also be predetermined.

Elaborating the policy, the Minister said its primary objective was to make all out development of marine

fishing including its culture and catch. He, however, said the policy would be amended if necessary on the basis of experience to be gathered during execution.

The Minister informed that 14 shrimp breeding grounds had been found in the EEZ during a recent survey conducted by research vessel "Anusandhani." He said according to that survey shrimp catch from Bay of Bengal could be between seven and ten thousand tons per annum.

Referring to the illegal fishing that plundered shrimp wealth in the Bay of Bengal, the Minister said with the scrapping of "pay as you earn scheme" in 1985, the number of unauthorised trawlers operating in our EEZ had greatly reduced. He said to help Bangladesh Navy guard our EEZ, the Government was now contemplating to buy aircraft to conduct aerial surveillance.

/9274

CSO: 4600/1372

COMMERCE MINISTER TELLS OF FALL IN EXPORTS

Dhaka THE NEW NATION in English 7 Jan 87, pp 1, 8

[Text]

Bangladesh's export earnings during the first five months (July-November) of the current fiscal year amounted to Taka 1989.07 crore (362.08 U.S. dollars) which is 34.57 percent of the total export target, reports BSS.

The export target for fiscal 1986-87 has been fixed at Taka 3150 crore (one billion U.S. dollars).

Speaking at the 14th meeting of the Export Council, Commerce Minister Mohammad Abdul Munim said the earnings of the period under consideration were 17.02 and 13.10 per cent lower than the average export target in terms of taka and dollars respectively.

However, compared to the performances of the same period of the previous years (1985-86) export earnings of the first five months of the current year showed a rise of 3.09 percent in terms of taka, but went down by 0.85 per cent in terms of dollar.

Attributing the reduction of exports of traditional goods as the main reason for lesser income, the minister said earnings from this sector during the last five months were lower by 22.48 and 25.44 per cent than those of the corresponding period of the previous year in terms of taka and dollars respectively. He however, pointed out that the non-traditional items have registered a growth of 34.60 and 29.45 per cent in terms of taka and dollars respectively against the earnings of the same period

of fiscal 1985-86.

The review meeting, organised by Export Promotion Bureau was attended, among others, by the Deputy Minister for commerce H.M.A Gaffar. High officials of the relevant ministries, leaders of various chambers of Commerce and Industry and exporters. Secretary Ministry of Commerce A.B.M. Golam Mostafa gave a brief account of the export performance and answered various queries.

The Commerce Minister said lesser exports of jute and jute goods whose price in the international market has gone down, have caused substantial fall in country's earnings during the period under review. He said although the price of tea showed appreciable improvement (26.64 per cent higher than last year); the earnings went down by 3.72 per cent compared to last year because of lesser quantity of export.

Speaking on the occasion, Mr. M. A. Kashem, President of Federation of Bangladesh Chambers of Commerce and Industry said the apparent increase of export earnings during the period under review compared to the corresponding period of previous year was due to devaluation of Taka. He said continued price fall of our important exportable goods in the international market stood on the way of higher export earning.

/9274

CSO: 4600/1375

BRIEFS

DELEGATION IN PAKISTAN--Islamabad, 2 Jan (XINHUA)--Pakistan and Bangladesh officials have agreed that there is a great potential for exchange of goods between their countries, the local press reported today. During the meeting here yesterday between a visiting Bangladesh economic and trade delegation and Pakistani officials, emphasis was laid on exchange of trade delegations to enhance bilateral trade volume and the establishment of trade creating joint ventures. The Bangladesh delegation showed interest in increasing the export of tea and jute goods to Pakistan while Pakistan asked Bangladesh to import, among others, more pig iron, machine tools other machinery and instruments and ships from Pakistan. The Bangladesh delegation showed keen interest in seeking Pakistan's cooperation in improving the agrarian conditions in Bangladesh and the Pakistan side assured full cooperation in this connection. [Text] [Dhaka THE NEW NATION in English 3 Jan 87 pp 1, 8] /9274

DEATH FOR SMUGGLERS.--The Council of Ministers on Sunday decided to amend certain provisions of the Special Powers Act of 1974 to introduce death penalty as the maximum punishment for smuggling, reports BSS. The decision was taken at a meeting of the Council of Ministers held at Bangabhaban with President Hussain Muhammad Ershad in the chair. The Council also decided to fix minimum punishment for smuggling at two years of Rigorous Imprisonment. It was also decided that selling or possessing of smuggled goods would be considered an offence and such offence will be liable for sentence from one to seven years. The meeting resolved that all the remaining abandoned commercial concerns would be disposed of by auction to the highest bidders through District Management Board. In case the buyers defaulted in paying scheduled installments, such concerns will also be taken-over by the Government and be sold off in the same manner. There were 745 abandoned commercial concerns of which 417 have so far been sold off and the remaining 214 will be disposed of following Sunday's Cabinet decision. [Text] [Dhaka THE BANGLADESH OBSERVER in English 19 Jan 87 p 1] /9274

CSO: 4600/1379

ASSAM NEPALESE 'DISMAYED' OVER GANDHI STATEMENT

Bombay THE TIMES OF INDIA in English 1 Jan 87 p 9

[Text]

GUWAHATI, Dec. 31.

NEPALESE living in Assam are dismayed over the Prime Minister, Mr. Rajiv Gandhi's statement in Darjeeling that there was no question of granting citizenship rights to Nepalis who entered India after 1950.

While they could enjoy all other rights, they would be debarred from the right of franchise. Nepalis living in Assam are now claiming that the Prime Minister's assertion goes against the spirit of the Assam accord.

The accord lays down 1971 as the cut-off date for identification of foreign nationals. At the same time foreigners who entered India between 1966-1971, while enjoying all other rights, would be debarred from voting for ten years. But after this period is over, the right would be restored.

Nepalese in Assam would like to know why they should be discriminated against and made to bear the brunt of 1950 as the cut-off year, when even Bangladeshis, who entered India from 1950-1951 to 1965, are being regularised as citizens and those between 1966-1971 would have their voting rights restored after ten years.

The general secretary of the Assam Gorkha Sanmelan, Mr. Gopal Bahadur Poudyal, has dubbed the Prime Minister's statement as "politically

motivated" and as a "deliberate attempt to create confusion in the minds of the people".

The Assam Gorkha Sanmelan and the All-Assam Gorkha Students Union have pointed out that it would be unethical on the part of the government of India to stamp one section of entrants into Assam as citizens under one set of rules, and another section as foreigners under another set of laws.

"This is illogical and will not stand the scrutiny of a constitutional body" Gorkha Sanmelan sources point out.

While the entire seven states of the north-east are united in their stand against Bangladeshi migrants, the Nepalese have also been subject to varying degrees of hostility from people of the area, depending on the size of the Nepali population.

In the middle of this year, the Meghalaya government had rounded up Nepali labourers working in the coal mines of Jowai district and had ruthlessly hounded them out of the area.

The state government's contention was that none of these people had the required restricted area permits which would allow them to legally stay and work in the state for a specific period.

Many observers feel that the brutal way the operation was handled, united the entire Nepali population of the

north-east and gave an impetus to the Gorkhaland movement. The Nepalese felt that unless they had a state of their own, they would always be subject to harassment by different state governments.

While the All-Assam Gorkha Students Union supported the Assam agitation, Nepalis in certain areas of Assam were harassed.

The Meghalaya MLA, Mr. Joshi, is indignant that Mr. Rajiv Gandhi is now seeking to make 1950 the cut off year for Nepali nationals. Mr. Joshi, who is returned to the house backed entirely by Nepali votes, asks angrily "Let the government first decide who is an Indian Nepali and who is a Nepali from Nepal? If they can do so, let the Prime Minister go ahead."

In the same breath he continues, "Do you think people who have been enrolled as voters for more than 30 years, can suddenly be told that they can no longer vote?"

Nepalese of the north-east have solidly backed Mr. Subhas Geishing's movement for Gorkhaland, and private individuals have donated generously to the GNLF coffers. They defend Mr. Geishing's letter to the King of Nepal by insisting that it was written because Nepal was a party to the Indo-Nepal treaty of 1950.

/9317

CSO: 4600/1343

ANALYST WRITES ON SELECTION OF TEAM FOR HANOI

Madras THE HINDU in English 5 Jan 87 p 9

[Article by G.K. Reddy]

[Text]

NEW DELHI, Jan. 4.

The Prime Minister, Mr. Rajiv Gandhi, is sending to Hanoi an important ministerial delegation led by the External Affairs Minister, Mr. N. D. Tiwari, to establish contact with the new leadership in Vietnam and extend further Indian assistance for the country's economic reconstruction.

The earlier intention was to include the Ministers of State for External Affairs, Finance and Petroleum, Mr. K. Natwar Singh, Mr. Janardhan Poojari and Mr. Brahm Dutt, but the composition of the delegation will be finalised in a day or two after Mr. Rajiv Gandhi has given full thought to the purpose and scope of this goodwill mission.

The Government of India has been pursuing consistently a policy of close friendship with Vietnam, which has emerged from the ordeals of its heroic struggle as the most dynamic nation in South-East Asia, despite its agonising economic problems. As a country with limited resources that are fully committed to its own development, India has been offering whatever assistance it could in helping Vietnam to restore its war-ravaged infrastructure, besides extending technical cooperation in the establishment of small-scale industries, improvement of agricultural production and rural welfare.

New ruling group: The old triumvirate that stepped down at the sixth party Congress last month to make way for the emergence of a new ruling group consisted of the President of Vietnam and party Chief, Mr. Truong Chinh, 79, who succeeded to this pivotal position only six months ago following the death of his veteran predecessor, Mr. Le Duan; the long-term Prime Minister, Mr. Pham Van Dong, 80, who had been head of the government for the last 31 years; and the chief ideologue of the Politburo, Mr. Le Duc Tho, 76, who negotiated the accords with Dr. Henry Kissinger paving the way for the American withdrawal from Vietnam.

The three have had close personal contacts with Indian leaders from the days of Jawaharlal Nehru, visiting India every few years on their way to Moscow, especially after the rupture of Sino-Vietnamese relations. But the new ruling group that has emerged in Hanoi, which includes the new party Chief, Mr. Nguyen Van Linh, 71, and the two top Politburo members, Mr. Vo Ching Cong, 73, and Mr. Pham Hung, 74, who are due to be appointed Prime Minister and Chairman of the Council of State during the forthcoming National Assembly Session, cannot be deemed to be really new in the sense that it had been a part of the old guard that fought together under Ho Chi Minh's leadership for the liberation and reunification of Vietnam.

Pragmatic in approach: The former party Chief, Mr. Truong, had described the new leadership quite appropriately as the 'second generation of the old guard' belonging to the same age group and with the same political background and ideological convictions. The only difference is that the three new leaders, who have been chosen to lead Vietnam, are committed to more pragmatic economic policies and perhaps also some degree of political liberalisation.

As these new leaders have had little or no contact with India, Mr. Rajiv Gandhi has taken the initiative to send a high-power delegation to Hanoi to assure them of India's continued goodwill and cooperation. Next to the Soviet Union which has been giving Vietnam about \$ one billion worth of aid per year since its liberation, India has been offering assistance running to about 10 per cent of this amount which in terms of Vietnam's absorption capacity has been quite valuable at the level of its basic reconstruction.

Kampuchean tangle: The change of top leadership in Hanoi has attracted world-wide attention because of the general expectation that it might lead to a thaw in the frozen relationship

with China as a logical follow up of Moscow's own diplomatic initiatives to improve Sino-Soviet relations. But the key factor will be how far Hanoi would be prepared to go in opening up the possibilities of an amicable settlement of the Kampuchean tangle consistent with Vietnam's national interests.

The Indian ministerial delegation will try to get an insight into Vietnam's latest thinking on Kampuchea so that Mr. Rajiv Gandhi will be able to speak with some inside knowledge about the prospects of a negotiated settlement, when the Malaysian Prime Minister visits Delhi at the end of this month. The talks that the Indian Prime Minister has with him on the subject, in the light of the private discussions that he has had in Jakarta and Bangkok during his visits in October last, will go some way in shaping ASEAN's attitudes towards the Vietnamese Government.

It is in this context, and against this general background, that the Prime Minister's decision to send a ministerial delegation to Hanoi so soon after the recent changes in the leadership there is attracting a lot of attention in the diplomatic circles in Delhi, which feel that the new Vietnamese Government may be more amenable to a compromise over Kampuchea, so long as it does not impair its political or strategic interests.

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CSO: 4600/1346

INDIA, QATAR SIGN PACT ON HYDROCARBON RESOURCES

Bombay THE TIMES OF INDIA in English 6 Jan 87 p 14

[Text]

NEW DELHI, January 5.

INDIA and Qatar have agreed to promote and strengthen co-operation between the two countries for exploitation and utilisation of hydro-carbon resources, particularly natural gas, in Qatar.

The two countries have also agreed to examine the feasibility of gas-based joint ventures in Qatar with Indian assistance.

The understanding to set up joint ventures was reached when the chairman of the Qatar General Petroleum Corporation Sheikh Rashid Oweida-al-Thani called on the Union minister of petroleum and natural gas, Mr. Brahma Dutt here today.

It was agreed to set up a committee of experts to examine the feasibility of co-operation between the two countries in setting up joint ventures, such as fertilisers plants and others for utilising natural gas in Qatar.

SPECIFIC PROPOSALS

The proposed committee is expected to come up with specific proposals which could be pursued by the two countries. Welcoming the Qatar proposal, Mr. Brahma Dutt said that India had developed capabilities to undertake such ventures and could consider establishing them on a product-buy-back basis.

Sheikh Rashid who is leading the Qatari delegation on a week-long visit to India will also be holding discussions with the Oil and Natural Gas Commission and Engineers India Ltd.

The delegation will visit the ONGC headquarters at Dehradun and offshore installations on west coast before returning to Qatar on Friday.

/9317

CSO: 4600/1347

CPI-M REGISTERS IMPRESSIVE WIN IN TRIPURA ELECTIONS

New Delhi PATRIOT in English 6 Jan 87 p 1

[Text]

Agartala, Jan 5 (UNI)—In what is seen as a major trial of strength before the Assembly poll, the CPI-M today registered a thumping victory in the just concluded byelections to Tripura village panchayats by winning 104 of the 167 seats.

The byelections were held yesterday.

Left by the wayside in the CPI-M sweep was its major rival the Congress and TUJS alliance. While the Congress won 34 seats, the TUJS won only 14. Also showing poor results CPI-M's three partners in the ruling Left Front, the Forward Bloc, CPI and RSP contested four seats but could not win any. Independents won 15 seats. Elections to trouble-torn Kamalpur, Amarpur and Dombur in North and South districts were suspended due to TNV onslaught last month. The CPI-M's haul includes 14 uncontested seats.

As election results began pouring in, the CPI-M leaders declared the poll showed that the Left Front enjoyed "complete support" of both tribals and

non-tribals. "This election shows that both tribals and non-tribals are behind us like a solid rock despite mischievous propaganda by the Congress-TUJS alliance", State Panchayat and Rural Development Minister Dinesh Deb Burma said.

While the CPI-M retained its traditional dominance in Khowai, Teliamura and Rajnagar blocks, it made severe inroads into the Congress strongholds of Jirania and Bishalgarh in west Tripura. The TUJS maintained a marginal edge in its stronghold at Takarjola, bagging six of the 11 seats, adds PTI.

The CPI-M's performance in extremist-prone blocks of Bagafa and Chaumanu, where 11 non-tribals were killed over past two months by TNV extremists, was impressive. The Marxists bagged four of the seven seats in Chaumanu and seven of the eight seats in Bagafa.

In Bishalgarh and Jirania, the CPI-M secured nine seats each in a major upset. The Congress managed

only three and TUJS one seat.

The Congress-TUJS alliance had a decisive lead in these two blocks and their defeat may weaken their grip on the local block development committees.

The Congress could draw level bagging five seats in Mohanpur, where the CPI-M also managed to win five. In Panisagar, the CPI-M drew level with the Amra Bangali candidates, with both bagging eight seats each. The CPI-M came off marginally better at Melagarh bagging six against the four won by the Congress.

The Congress-TUJS alliance cornered three seats (two by Congress and one by TUJS) to draw level with the CPI-M, which also managed to win three seats.

The results announced today, clearly indicated that the Congress-TUJS alliance had failed to break fresh ground in any of the Marxist bastions, while the CPI-M had succeeded in 'marginal penetration' in some Opposition-dominated areas.

/9317

CSO: 4600/1348

CONGRESS-I REPORTED TO BEGIN SEARCH FOR SINGH SUCCESSOR

Madras THE HINDU in English 5 Jan 87 p 1

[Article by G.K. Reddy]

[Text]

NEW DELHI, Jan.4.

As just six months are left for the next Presidential election, there are signs of some activity behind the scenes in the inner recesses of the Congress (I) to chart out the party's strategy for ensuring the widest possible support for the Prime Minister's choice.

The incumbent President, Mr. Zail Singh, assumed office on July 25, 1982, following a smooth election in which the outcome was a foregone conclusion for all practical purposes, since the Congress (I) had a big majority both in Parliament and assemblies in many States.

But there was an element of suspense until the last moment about the actual choice of the Congress (I), as Indira Gandhi, did not disclose her mind in advance even to her closest party colleagues. At one stage she had almost decided to have the then External Affairs Minister, Mr. P. V. Narasimha Rao, as the next President, before she changed her mind in favour of Mr. Zail Singh, who was Home Minister then.

Rotation concept: It was thus quite evident that Indira Gandhi was not too concerned about adhering to the sort of convention that had developed over the years of choosing the Presidential candidates alternately from the north and the south to ensure balanced representation. The first President, Dr. Rajendra Prasad, was from the north and after his two terms he was succeeded by Dr. S. Radhakrishnan. Dr. Zakir Hussain, who followed next, was in a sense from the north, although he was born in Hyderabad, since he spent most of his adult life in Delhi.

Then V. V. Giri was elected in the bitterly contested election in 1969 at the time of the Congress split, when the ruling party went all out to defeat its own candidates. The next President, Mr. Fakhruddin Ali Ahmed, was from the north and Mr. N. Sanjiva Reddi who followed later belonged to the South, which in a way helped to sustain the convention.

But Indira Gandhi was not rigidly adhering to it when she thought of Mr. Narasimha Rao as a successor to Mr. Sanjiva Reddi, despite the fact that they belonged to the same State. So it remains to be seen whether Mr. Rajiv Gandhi is going to observe the principle of North-South rotation this time or set a new precedent by ignoring this convention.

If the Prime Minister chooses to abide by it, the most obvious choice from the South could be the Vice-President, Mr. R. Venkataraman, according to observers here. But in such matters nobody can be too sure of the choice until an official announcement is made, which will not be earlier than June in any case.

The prolonged suspense might give an opportunity to different lobbies within the Congress (I) to float other names and start canvassing to create confusion. Mr. Rajiv Gandhi is being advised by some of his confidants to forestall such internal pressures by indicating well in advance in one form or the other his own preference, even if the formal decision of the Congress (I) Parliamentary Board is taken in the normal course on the eve of the Presidential election.

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CSO: 4600/1345

ALLEGED PAKISTANI SPIES ARRESTED IN JAMMU

Bombay THE TIMES OF INDIA in English 6 Jan 87 p 16

[Text]

JAMMU, January 5 (PTI).

WITH the arrest of five Pakistani nationals, the Jammu and Kashmir police today claimed to have unearthed an espionage network operating from Sialkot and Suchaitgarh area of Pakistan for the last several years.

Police sources said the members of the gang, identified as Mirza Mustaq, Mohammed Sadiq, Surfraz and Din Mohammed, were apprehended from Hirangar, Kathua and Bishnah border areas of Jammu region three days ago.

The five, held on suspicion, have confessed during the preliminary interrogation that they had been assigned a special task of espionage by the geographic section of the Pakistani military intelligence agency, field intelligence unit, which is supervising sabotage and subversion in Punjab and Jammu and Kashmir.

The sources said that these Pakistani nationals also disclosed their links with some local people in the Jammu region who had been working as their agents.

A police spokesman told PTI that one Prabhudayal, a resident of Nanaknagar locality of Jammu city, was arrested while he was travelling in a minibus carrying some secret documents containing information regard-

ing defence installations in the Jammu area.

LOCAL LINK

The spokesman said Prabhudayal was arrested following a clue extracted during the interrogation of the five-member gang. Dayal was acting as the local link for the Pakistani "Espionage" network in the area.

The police also succeeded in nabbing a dangerous Pakistani Agent, Mohammed Yousif, who had managed to sneak into Indian territory last week.

The spokesman said Mohammed Yousif, who had taken shelter in the house of Prabhudayal, was arrested when he was travelling with Prabhudayal in the same mini-bus.

All the accused have been shifted to the joint interrogation centre in Jammu for further interrogation and the police was hopeful that their interrogation would lead to further disclosures about Pakistani Espionage network.

Earlier, the police arrested one suspected Sikh terrorist and alleged kingpin of the Pakistan Espionage network operating from Samba area of Jammu district while he was trying to sneak into the Indian territory from Pakistan. A special team of interrogating officers was interrogating the accused, identified as Nirmal Singh, the police spokesman added.

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CSO: 4600/1347

END